

CITY OF TORRANCE

1ST QUARTER BUDGET REVIEW



2011-12

Agenda

AGENDA

FINANCE AND GOVERNMENTAL OPERATIONS COMMITTEE

Date: Tuesday, December 13, 2011
Time: 5:30 PM
Place: Council Chambers
Committee Members: Councilman Bill Sutherland, Chair
Councilman Cliff Numark, Member
Councilwoman Susan Rhilinger, Member
Subject: 2011-12 First Quarter Budget Review

OPENING REMARKS	Chair, Bill Sutherland
INTRODUCTION	Mary K. Giordano Assistant City Manager
1 ST QUARTER PRESENTATION	Eric E. Tsao Finance Director
PROGRAM MODIFICATION	Mary K. Giordano Assistant City Manager Aram Chaparyan Assistant to the City Manager
INVESTMENT STATUS	Dana Cortez City Treasurer
QUESTIONS & DISCUSSION	Committee/Audience
SUMMARY	Mary K. Giordano
CLOSING REMARKS	Chair, Bill Sutherland

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Executive Summary

Honorable Chair and Members
of the Finance and Governmental Operations Committee
City Hall
Torrance, California

Members of the Committee:

Subject: First Quarter 2011-12 Budget Review

RECOMMENDATION

The City Manager and the Finance Director recommend that the following items be approved by the Finance and Governmental Operations Committee and recommended to City Council for action:

- Accept the First Quarter 2011-12 Budget Review Report
- Accept the City Treasurer's Investment Report
- Concur with staff's recommendation for the Human Resources Department reorganization

EXECUTIVE SUMMARY

The General Fund 2010-11 fiscal year ended with a net carryover of approximately \$241,000. Although the carryover was positive, the general fund revenues for the year had a budget shortfall of approximately \$6 million which was offset by net expenditure savings and use of fund balance of \$6.2 million. The shortfall in fiscal year 2010-11 revenues was primarily due to a decline in utility users' tax revenues (revenues from cell phones and natural gas consumption), interest earnings and fines and forfeitures.

Fiscal Year 2011-12 expenditures for all departments as of September 30, 2011 are at 23.0% compared to 25.1% of the year expired. General fund expenditures for the 1st quarter are comparable to last year of 25.4% and 22.7% for the 2009-10 fiscal year.

Revenues for the City are seasonal and major revenues such as property taxes are not received until December and receipts for business license taxes begin in January. Revenues received for the 1st quarter totaled 10.5% of budget, which is slightly down from 11.1% for the 2010-11 fiscal year.

The three "core" revenue sources of the General Fund; Property taxes, Sales taxes, and Utility Users' taxes represent about 69.0% of the General Fund. Sales tax receipts to date are tracking well and are up by 3.3% over last year. The City receives "advance" payments based on formulas throughout the quarter and the "true-up" payment for 2nd quarter sales tax (July thru September sales) will not be received until later this month. September 30, 2011 actual revenues as a percentage of budget totaled 15.1% compared to 16.8% in fiscal year 2010-11. One of the primary reasons for the year over year difference is that Utility Users' Tax (UUT) receipts continue to be depressed and are down approximately 1.7% compared to last year.

A Snapshot of Torrance

Population: 145,927
Area: 21 Square Miles
1,289 Full-time Employees
6 Fire Stations
1 Police Station &
1 Police Community Center
223 Sworn Police Employees
145 Sworn Fire Employees
6 Public Libraries
47,000 Street Trees
550 Miles of Sidewalks
46 Parks & Recreation Amenities

The primary cause for lower than projected UUT receipts is the reduction in consumption of natural gas by the City's industrial users and cellular phone charges. This is a revenue source that will be closely monitored and further discussions/analysis will be addressed at mid-year.

While "core" revenues represent about 69% of General Fund revenues, business licenses, franchise fees and occupancy taxes represent an additional 11% of General Fund revenues. Occupancy tax revenues thru the 1st quarter are tracking slightly above budget estimates and are showing about a 4.6% growth over last year. Business License tax receipts will begin to arrive in late January and the bulk of Franchise fees for the City's utility providers will arrive in April.

One revenue source that will not be received is vehicle license fees (VLF). One of the last minute budget adjustments for the State of California redirected VLF away from cities. The impact to Torrance is approximately \$530,000. Earnings on the investment portfolio continues to track below budget and given the current "Fed" policy, will most likely not be within budget at fiscal year end. Construction taxes, while volatile, is tracking 13% above budget for preliminary November receipts. Construction related taxes are expected to continue its upward trend due to the major projects that are in various phases of completion. Projects such as the WalMart renovation, Ball Corporation, the new Audi dealership, Hyundai dealership, In/Out burgers, OSH Hardware, Torrance Memorial and Little Company of Mary will all generate significant construction related tax revenues for the City this fiscal year. Other revenues such as Fines & Forfeitures and Charges for Service are also tracking within budget estimates. As of September 30, 2011 parking citations and general court fines were below last year's collection rates; however, preliminary November/December receipts reflect an upward trend in these revenue sources and budget estimates are expected to be achieved.

Economy

The recession has ended and most City revenues, with the exception of Utility Users' Tax, are growing. Retail sales news continues to be positive as National retail sales grew approximately 8.0% year over year through September 2011; "Black Friday" purchases are up by 7.0 % over last year and on the following Monday (Cyber Monday) consumers increased their purchases by 22.0% over last year; and new automobile sales are up 9% over November of last year. The two aforementioned indicators are signs that consumer spending and consumer confidence levels have improved from a year ago. At the beginning of the 2011-12 fiscal year, the consumer confidence level was at 59.2% but it dropped 31% down to 40.9% in October 2011. On November 29, 2011 CNBC reported that the U.S. Consumer Confidence Index bounced back from nearly a 2-1/2 year low to 56.0%. The confidence level is at the highest since July and handily topped economist forecast. November employment news was positive as well as the private sector added 140,000 jobs. The private sector has now added jobs for 21 consecutive months. Having said that, the drag on jobs is in the public sector where nearly 20,000 jobs were shed in November. As the public sector continues to struggle with balancing their budgets so will public sector jobs.

The federal government's unemployment rate for October 2011 was 9.0%. The State of California reached a level of 11.7% for the same period. The State of California's October rate of 11.7% is down slightly from September 2011 where the rate was 12.4%. The slight decline in the rate is a welcome sign for the State. The unemployment rate for Torrance is 6.0%. This is well below the National, State, and County of Los Angeles averages. Neighboring cities such as

October Unemployment Rate	2011	2010	2009
Los Angeles County	12.2%	12.9%	12.1%
Carson	12.0	12.8	12.1
Gardena	11.2	11.9	11.3
Glendale	10.4	11.1	10.5
Hawthorne	15.4	16.4	15.5
Inglewood	14.8	15.8	15.0
Santa Monica	9.8	10.5	9.9
Torrance	6.0	6.4	6.0

Hawthorne, Inglewood, Carson, Gardena and Santa Monica's unemployment rate are not as fortunate and are more in-line with the State and National rate. On December 7, 2011, the United State's Department of Labor announced that the November national unemployment rate dropped from 9.0% in October to 8.6%.

The Stock Markets may not be able to predict recessions, but they are a barometer of wealth accumulation and for good or bad, the performance of the markets is directly related to the confidence in the economy. The Dow Jones Industrial Average while declining over 10% during the first quarter has completely recovered and trading slightly above July 1 levels. The Nasdaq declined over 12% during the same time frame and is now only down 4% for the fiscal year.

While the news for retail sales continues to be encouraging as well as private sector employment the public sector continues to be a drag on the economy. Revenue growth for the General fund will remain moderate. The Anderson School of Business is forecasting employment growth in California of 1.4% in 2012 and 2.1% in 2013 and unemployment to hover around 11.6% through 2012.

Outstanding Budget Revisions:

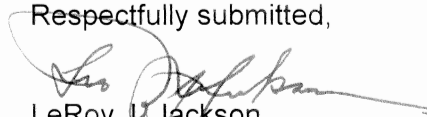
While most of the budget revisions for the 2011-12 budget have been completed, some are still in progress. The status of the budget revisions are summarized below:

City PERS contributions:

- All Labor Contracts have new hires paying 9% for Fire/Police and 7% for General Employees 100% of the employee share.
 - 28 General employees to date
 - Next Fire class expected in late Spring/early summer 2012
 - Police effective date January 1, 2012
- Fire Hazardous Materials Premium phase out
 - On schedule – 5 retirements to date, 7 remaining
- Conversion of Fire Battalion Chief and Captain to civilian positions
 - Both incumbents have retired, pending civilian hire
- Restructuring of Human Resources Department
 - Completed, pending relocation of employees in March 2012
- Reduction of 1.0 Senior Custodian and 1.0 Senior Custodian
 - Pending
- Permanent Weekend Maintenance Staff and Reduction of 1.0 Public Safety Dispatcher once new schedule implemented
 - In the meet and confer process
- Energy Saving Projects
 - HVAC upgrade, City Hall parking lot LED lighting and low flow plumbing fixtures – Completed (projected energy savings - \$50,000)
 - Cable Building HVAC upgrade, pool solar water heating and additional HVAC replacements are ready for bid (projected energy savings - \$30,000)
 - Street security lighting replacements, lighting upgrades, irrigation control upgrades and replacement of the east annex chiller expected to be completed by June 2012 (projected energy savings - \$290,000)

Staff will be bringing several items next week to the full Council recommending budget action to rebalance the 2011-12 fiscal year; a workshop on Public Safety Restructuring as well as Capital Budget information.

Respectfully submitted,



LeRoy J. Jackson
City Manager

2011-12 BUDGET ANALYSIS
SEPTEMBER 30, 2011
GENERAL FUND REVENUE STATUS
(Schedule A)

The General Fund fiscal year 2011-12 budget estimate for revenues is \$165,420,649 of which \$17,451,534 or 10.5%, was received through September 30, 2011, compared to \$17,909,373 or 11.1% in the prior year. As reported last year, the financial statements below present budgeted revenues on both an annual and seasonal basis. The annual budget represents the entire amount expected to be received by year end. The seasonal budget renders an additional perspective as it informs the reader monthly the anticipated amount expected to be received each month based on prior year trends. The seasonal budget (the amount projected to be received by September 30, 2011) is \$19,367,262 of which \$17,451,534 was actually received compared to \$17,909,373 received in fiscal year 2010-11. As of September 30, 2011, actual revenues received are slightly below last year's collection rate.

There are many General Fund revenues that are not realized until after December such as property and business license taxes, franchise fees, triple flip monies from the State, etc. Timing issues and other factors results in budget variances that are discussed in more detail in the revenue categories listed below.

	Annual Budget	Seasonal Budget 2011-12	Actual 09/30/2011	Actual % Of Annual Budget	Actual % Of Seasonal Budget	Actual 2010-11	% of Year-end Actual 2010-11
Tax Revenues:							
Property Taxes	\$ 29,580,000	\$1,037,560	\$ 1,087,722	3.7%	104.8%	\$1,041,737	3.7%
VLF Swap & Repayment	11,510,000	-	-	-	-	-	-
Real Prop. Transfer Tax	600,000	108,600	71,280	11.9%	65.6%	84,984	18.1%
Sales and Use Taxes	28,440,000	2,948,040	2,563,438	9.0%	87.0%	2,904,807	9.6%
Sales Tax Flip	8,930,000	-	-	-	-	-	-
Utility Users Tax	35,600,000	5,967,395	5,362,357	15.1%	89.9%	5,537,801	16.8%
Business License Tax	8,220,000	239,300	251,308	3.1%	105.0%	173,774	2.2%
Franchise Tax	5,400,000	28,800	49,856	.9%	173.1%	22,624	.5%
Occupancy Tax	7,660,000	491,644	550,180	7.2%	111.9%	238,594	3.4%
Other Taxes	810,000	115,543	164,066	20.3%	142.0%	146,022	20.8%
Totals	\$136,750,000	\$10,936,882	\$10,100,207	7.4%	92.3%	\$10,150,343	7.7%

Property Tax: As of September 30, 2011, actual property tax receipts totaled \$1,087,722 or 3.7% of the annual budget compared to \$1,041,737 or 3.7% last year. Actual property taxes received through September 30, 2011 is slightly higher than the seasonal budget projection of 104.8%. The seasonal budget is always projected at 100%. Any amount received over or below the seasonal percentage would result in a variance. Property tax revenues are primarily received in December and April of each year. The positive variance at this time can be misleading as the majority of this revenue source will not be received until December and January of this fiscal year.

Also included in this section of the budget is the vehicle license fee revenue source, with an annual budget of \$11.5 million, and the sales tax “triple flip” revenue source, with an annual budget of \$8.9 million. The respective “triple flip” revenues are received from the County of Los Angeles in January and May of each year; therefore, no revenue budget is reported for these revenue sources on a seasonal basis at September 30, 2011. At this time, it is too early to determine if variances exist in these accounts and as such these revenue sources will be monitored and reported on at mid-year.

Sales Tax: Sales Tax is the City's largest revenue source in the General Fund, inclusive of the sales tax “flip”. Sales Tax revenues are derived from multiple sources.

The following segment information is being provided as a tool to assist Council in understanding the source of the City's Sales Tax revenues.

Sales Tax by Economic Segment April 2011 – June 2011	
Category	Percentage
Auto Sales - New	16.50 %
Department Stores	12.70 %
Restaurants	10.30 %
Miscellaneous Retail	8.70 %
Service Stations	6.40 %
Apparel Stores	6.20 %
Leasing	5.20 %
Furniture/Appliance	4.40 %
Bldg. Materials - Retail	4.20 %
Auto Parts/Repair	3.50 %
Food Markets	3.10 %
All Others	18.80 %
TOTAL	100.00 %

The 2011-12 seasonal Sales Tax budget for the first quarter is \$2,948,040 with actual revenues received for the same period totaling \$2,563,438 compared to \$2,904,807 received last year. Approximately 87.0% of the seasonal budget has been received. As mentioned above, seasonal budget receipts should be 100%. Sales tax revenues are highly sensitive to the California economy. Currently, the economy is experiencing a slight upwards growth which is reflective in the first quarter actual receipts.

The annual budget for Sales Tax revenues is \$28.4 million of which 9.0% has been received compared to 9.6% last fiscal year. The year over year comparison is below last year's collection but positive signs exist, including retail sales results from this year's “Black Friday” sales that amounted to an estimated 7.0% increase. Also, internet sales results from this year's “Cyber Monday” are projected to surpass last year's growth of 16%. This revenue source will be closely monitored as it is sensitive to the changes in the local economy.

Utility Users' Tax: Utility Users' Tax (UUT) is the City's second largest revenue source in the General Fund. UUT is a tax applied on consumption of utilities such as gas, electric, water, etc. Due to the volatility of the use of the various utilities, the Finance Department has included a more detailed perspective of this revenue source to better inform the readers of this report.

	Annual Budget	Seasonal Budget 2011-12	Actual 09/30/2011	Actual % Of Annual Budget	Actual % Of Seasonal Budget	Actual 2010-11	% of Year-end Actual 2010-11
Utility Users' Tax:							
Electricity	\$ 15,392,000	\$ 2,892,770	\$ 2,607,354	16.9%	90.1%	\$ 2,810,375	19.2%
Gas:							
Refineries	4,061,000	361,429	366,505	9.0%	101.4%	333,942	8.6%
Other	2,767,000	362,602	388,275	14.0%	107.1%	345,557	13.0%
Water	2,009,000	372,787	391,614	19.5%	105.1%	354,483	18.5%
Cable	1,497,000	260,253	236,518	15.8%	90.9%	247,720	17.4%
Telecom/Cellular	9,874,000	1,717,554	1,372,091	13.9%	79.9%	1,445,724	17.2%
Totals	\$ 35,600,000	\$5,967,395	\$5,362,357	15.1%	89.9%	\$5,537,801	16.8%

The fiscal year 2011-12 annual budget estimate of \$35,600,000 is 3.8% less than the 2010-11 budget. At September 30, 2011, actual receipts totaled \$5,362,357 or 89.9% of the seasonal budget, compared to \$5,537,801 during the same period last year. The year over year decrease totaled 3.2%. Utility Users' Tax revenue is comprised of multiple component elements such as water, electricity, gas, etc. The individual component elements are sensitive to consumer user habits, which fluctuate throughout the year and, as such, the component items vary from their respective budget levels. This year's UUT is showing improvements in most of the major categories and revenues from gas, specifically from oil refineries, remains a source which will require active monitoring. Another component area that will be monitored is revenues from cellular phones. The cell phone industry pricing structure is changing from mobile phone to data transferring and downloading.

Business License Tax: The September 30, 2011 seasonal budget estimate is \$239,300. Actual revenues received through September 30, 2011 totaled \$251,308 or 105.0%, compared to \$173,774 last year. It should be noted that this revenue source's annual renewals are billed in mid-December, due on January 1, and delinquent on February 1. Therefore, substantially all receipts are realized in January. The annual budget for the business license tax is \$8.2 million.

Franchise Payments: The majority of all franchise payments are received in the fourth quarter. The franchise annual budget is \$5.4 million. Staff will monitor closely the annual franchise revenues to be realized as it is difficult to project at this time.

Occupancy Tax: As of September 30, 2011, \$550,180 in actual revenues has been received or 111.9% of the seasonal budget compared to \$238,594 last year. Revenues received to date are better than last year and it is anticipated that this revenue source will reach budget projections.

	Annual Budget	Seasonal Budget 2011-12	Actual 09/30/2011	Actual % Of Annual Budget	Actual % Of Seasonal Budget	Actual 2010-11	% of Year-end Actual 2010-11
Licenses and Permits:	\$ 2,121,000	\$ 519,042	\$ 473,103	22.3%	91.1%	\$ 392,398	23.0%

The fiscal year 2011-12 annual budget estimate of \$2,121,000 represents a 1.3% increase from last year's budget. As of September 30, 2011, \$473,103 has been received compared to \$392,398 last year. At this time, license and permit revenues are expected to equate budget.

	Annual Budget	Seasonal Budget 2011-12	Actual 09/30/2011	Actual % Of Annual Budget	Actual % Of Seasonal Budget	Actual 2010-11	% of Year-end Actual 2010-11
Revenues from Other Agencies:							
State Motor Vehicle Licenses	\$ 580,000	\$ 580,000	\$ 74,069	12.8%	12.8%	\$ 74,195	10.8%
Other Revenues from Agencies	<u>400,000</u>	<u>29,700</u>	<u>16,792</u>	<u>4.2%</u>	<u>56.5%</u>	<u>14,417</u>	<u>3.6%</u>
	<u>\$ 980,000</u>	<u>\$ 609,700</u>	<u>\$ 90,861</u>	<u>9.3%</u>	<u>14.9%</u>	<u>\$ 88,612</u>	<u>8.7%</u>

Motor Vehicle-In-Lieu: The September 30, 2011 annual and seasonal budget is estimated at \$580,000 with total actual revenues of \$74,069 being received in September as the final payment for fiscal year 2010-11. Starting with fiscal year 2012, this revenue source was eliminated by the State through budgetary actions. Currently, the State's actions are being challenged in court by the California League of Cities and, at this time, it is expected that this revenue source will be significantly under-realized.

Other Revenues from Agencies: This revenue consists of subventions from the State for the homeowners' property tax exemption, budgeted at \$250,000, and Other State Revenue budgeted at \$150,000. At present, budgeted revenues are expected to be realized.

	Annual Budget	Seasonal Budget 2011-12	Actual 09/30/2011	Actual % Of Annual Budget	Actual % Of Seasonal Budget	Actual 2010-11	% of Year-end Actual 2010-11
Fines and Forfeitures:	\$ 1,330,000	\$ 287,119	\$ 177,973	13.4%	62.00%	\$ 221,740	20.4%

Fines and Forfeitures: This revenue source is an estimate of general court, traffic fines, and parking citation income the City will receive. As of September 30, 2011, \$177,973 has been received compared to \$221,740 last year. A decrease in revenue received compared to last year exists. The annual fiscal year 2011-12 budget of \$1,330,000 will be monitored closely by staff as it is too soon to predict if it will be achieved or not.

	Annual Budget	Seasonal Budget 2011-12	Actual 09/30/2011	Actual % Of Annual Budget	Actual % Of Seasonal Budget	Actual 2010-11	% of Year-end Actual 2010-11
Use of Money and Property:							
Investment Earnings	\$ 2,000,000	\$ 499,753	\$ 330,434	16.5%	66.1%	\$ 372,428	83.2%
Other	1,360,000	341,129	334,812	24.6%	98.1%	141,232	10.7%
	<u>\$ 3,360,000</u>	<u>\$ 840,882</u>	<u>\$ 665,246</u>	<u>19.8%</u>	<u>79.1%</u>	<u>\$ 513,660</u>	<u>29.1%</u>

Investment Earnings: The actual receipt rate through the first quarter of fiscal year 2011-12 is 66.1%. The annual budget for this group of accounts totals \$3.4 million. It is projected for these revenue accounts to be under budget due to lower cash balances and low interest rates. Staff will carefully monitor these accounts and report updated information at mid-year.

	Annual Budget	Seasonal Budget 2011-12	Actual 09/30/2011	Actual % Of Annual Budget	Actual % Of Seasonal Budget	Actual 2010-11	% of Year-end Actual 2010-11
Charges for Current Services:							
Construction/Engineering & Other Charges for Services	\$ 5,069,000	\$1,102,061	\$ 819,025	16.2%	74.3%	\$ 864,117	19.0%

Other Charges: This category summarizes construction-related fees, engineering fees, library fines, fire fees, etc. Actual revenues as of September 30, 2011 are at 74.3% of the seasonal budget. These revenues are expected to remain constant, resulting in the annual budget of \$5.1 million being slightly under budget.

	Annual Budget	Seasonal Budget 2011-12	Actual 09/30/2011	Actual % Of Annual Budget	Actual % Of Seasonal Budget	Actual 2010-11	% of Year-end Actual 2010-11
Other Revenues:	\$ 15,810,649	\$ 5,071,576	\$ 5,125,119	32.4%	101.1%	\$ 5,678,503	30.4%

Other Revenues: This category represents miscellaneous revenues to the City, including operating transfers not categorized into specific revenue types. As of September 30, 2011, the annual budget of \$15.8 million is expected to be realized.

	Annual Budget	Seasonal Budget 2011-12	Actual 09/30/2011	Actual % Of Annual Budget	Actual % Of Seasonal Budget	Actual 2010-11	% of Year-end Actual 2010-11
Total General Fund Revenues:	\$165,420,649	\$19,367,262	\$ 17,451,534	10.5%	90.1%	\$17,909,373	11.1%

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EXPENDITURE OVERVIEW

All General Fund departments are within their overall budget as of first quarter ended September 30, 2011.

The General Fund, Enterprise and Internal Service Fund Financial Statement Summary (revenues and expenditures budget to actual) as of first quarter compared to last fiscal year 2010-11 are shown below.

GENERAL FUND EXPENDITURES

The General Fund budget expenditure level, including prior year encumbrances for the fiscal year is \$167,509,917 of which \$38,469,143 has been expended as of September 30, 2011. Expenditures are 23.0% of budget estimate at September 30, 2011, compared to 25.4% and 22.7% in the prior two years. The category of expenditure levels are as follows:

	<u>Fiscal Year</u> <u>2011-12</u>	<u>Fiscal Year</u> <u>2010-11</u>	<u>Fiscal Year</u> <u>2009-10</u>
Salaries and Benefits	24.3%	25.6%	25.4%
Materials, Supplies, Services	19.1%	25.0%	23.0%

General Fund expenditures by department are presented in Schedules B-B2 of the 1st Quarter 2011-12 tab.

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for financing of goods or services provided by one City department to other departments of the City and to other governmental units on a cost-reimbursement basis. The City currently has two Internal Service Funds: Self-Insurance and Fleet Services. The Self-Insurance Fund is used to finance and account for the City's risk management, liability claims and self-insurance programs. The Fleet Services Fund is used to finance and account for the City's vehicular equipment. The following summary compares first quarter results to budget estimates. Financial statements for each Internal Service Fund are presented in Schedules D through E-2.

SELF INSURANCE FUND:

	<u>Budget</u>	<u>Actual</u>	<u>Fiscal Year 2011-12</u>	<u>Fiscal Year 2010-11</u>
Self-Insurance				
Revenues	\$2,392,777	\$610,964	25.5%	30.1%
Expenses	(4,271,871)	(1,340,969)	31.4%	26.4%
Operating income (loss)	(1,879,094)	(730,005)		
Operating transfers in	1,163,500	292,039	25.1%	37.0%
Operating transfers out	(4,073)	(1,520)	37.3%	34.4%
Net income (loss)	<u>\$ (719,667)</u>	<u>\$ (439,486)</u>		

Actual revenues are within budget as of first quarter. Revenues this year are lower than last year due to a recovery received last year from a casualty company in the amount of \$110,025. There were no recoveries received in the first quarter of this year.

Expenditures are higher due to annual insurance premiums paid at the beginning of the fiscal year. The actual expenditures this year is comparable to last year's \$1.3 million; however, the annual budget this year is lower than last year.

The Self Insurance Fund received subsidy from the General Fund of \$292,039 as of the first quarter as budgeted which is reflected in the operating transfers in. The percent of budget to actual is lower than last year due to the calculation of operating transfers. Operating transfers in last year was calculated based on adopted budget. However, there were budget reductions that were approved in October of last year and adjustments were reflected in the second quarter of that year.

FLEET SERVICES FUND:

	<u>Budget</u>	<u>Actual</u>	<u>Fiscal Year 2011-12</u>	<u>Fiscal Year 2010-11</u>
Fleet Services				
Revenues	\$5,046,348	\$1,397,510	27.7%	26.7%
Expenses	(5,883,515)	(1,313,669)	22.3%	24.3%
Operating income (loss)	(837,167)	83,841		
Interest Income	254,000	60,427	23.8%	14.5%
Gain from Sale of Fixed Assets	80,464	-	0.0%	0.0%
Income (Loss) Before Transfers	(502,703)	144,268		
Operating transfers in	587,671	237,775	40.5%	28.5%
Operating transfers out	(11,053)	(7,436)	67.3%	80.7%
Vehicle Acquisitions	(3,796,854)	(484,968)	12.8%	8.4%
Add: Depreciation	2,200,000	409,414	18.6%	27.5%
Change in cash available after vehicle acq/depreciation	<u>\$(1,522,939)</u>	<u>\$ 299,053</u>		

Fleet Services revenues and expenses are within budget as of the first quarter. Operating transfers in include \$117,880 transfers from General Fund to fund operations and \$119,895 from the Sewer Enterprise Fund to partially fund the purchase of a sewer cleaning truck approved by Council on September 13, 2011. Operating transfers out represents transfers to various replacement funds such as Data, Radio, Telephone and PC Replacement funds. Last year's transfers are slightly higher due to the \$15,000 transfer to the City Services Building Abatement & Replacement Flooring Project. There was no transfer to a capital project this quarter.

Vehicle acquisitions are at 12.8% of budget but there are outstanding encumbrances for vehicle acquisitions of \$2,065,248 as of September 30, 2011.

ENTERPRISE FUNDS

Enterprise Funds are used to account for fee-supported businesses operated by the City. Net earnings of these funds provide working capital for maintenance and betterment of the equipment and fixed assets of the business. The following summary compares first quarter results to budget estimates. Financial statements such as the Balance Sheet, Statement of Revenues and Expenses and Cash Flow Statement for each Enterprise Fund are presented in Schedules F through M-4.

AIRPORT FUND:

	<u>Budget</u>	<u>Actual</u>	<u>Fiscal Year 2011-12</u>	<u>Fiscal Year 2010-11</u>
Airport Fund				
Revenues	\$11,330,100	\$2,624,239	23.2%	20.5%
Expenses	(5,466,241)	(1,291,468)	23.6%	23.0%
Operating income (loss)	5,863,859	1,332,771		
Interest Income	75,000	24,705	32.9%	25.1%
Interest Expense	(102,000)	(25,602)	25.1%	25.2%
Operating transfers out	(6,174,929)	(1,544,774)	25.0%	23.7%
From Fund Balance	338,070	212,900		
Net income (loss)	<u>\$ -</u>	<u>\$ -</u>		

	<u>Budget</u>	<u>Actual</u>	<u>Fiscal Year 2011-12</u>	<u>Fiscal Year 2010-11</u>
Airport Fund-Aeronautical				
Revenues	\$4,042,100	\$1,040,569	25.7%	24.0%
Expenses	(3,590,421)	(833,070)	23.2%	20.9%
Operating income (loss)	451,679	207,499		
Interest Expense	(102,000)	(25,602)	25.1%	25.2%
Operating transfers out	(71,181)	(12,755)	17.9%	86.6%
Net income (loss)	<u>278,498</u>	<u>\$ 169,142</u>		

	<u>Budget</u>	<u>Actual</u>	<u>Fiscal Year 2011-12</u>	<u>Fiscal Year 2010-11</u>
Airport Fund-Non Aeronautical				
Revenues	\$7,288,000	\$1,583,670	21.7%	20.7%
Expenses	(1,875,820)	(458,398)	24.4%	24.1%
Operating income (loss)	5,412,180	1,125,272		
Interest Income	75,000	24,705	32.9%	14.0%
Operating transfers out	(6,103,748)	(1,532,019)	25.1%	25.2%
From Fund Balance	616,568	382,042	62.0%	84.1%
Net income (loss)	<u>\$ -</u>	<u>\$ -</u>		

The aeronautical sub-fund reflects airfield operations. The revenues and expenses as of the first quarter are comparable to last year and are within budget. Operating Transfers Out account budget includes a \$56,925 funding approved in the first quarter for the Airport Hangar Roof project. There were no expenses incurred for this project as of the first quarter. No transfer for a capital project was budgeted in the first quarter last year.

The non-aeronautical sub-fund reflects the leasing of commercial property outside of the airfield boundary. The revenues for Airport-Non Aeronautical are at 21.7% of budget due to timing of receipts of some revenues. \$265,685 of first quarter gross receipts was received in the second quarter. If these revenues were received in the first quarter, the percent of actual to budget would have been at 25.4%. Interest income is within budget but the percent of budget to actual is higher than last year due to an adjustment in the annual budget. The annual budget was reduced by \$125,000 to be more in line with actual interest earnings received. Operating transfers out represent transfers to the General Fund and to various replacement funds.

TRANSIT FUND:

	<u>Budget</u>	<u>Actual</u>	<u>Fiscal Year 2011-12</u>	<u>Fiscal Year 2010-11</u>
Transit Fund				
Revenues	\$22,367,761	\$4,411,369	19.7%	27.4%
Expenses	(25,015,926)	(5,264,429)	21.0%	21.8%
Operating income (loss)	(2,648,165)	(853,060)		
Operating transfers in	1,154,000	288,500	25.0%	100.0%
Operating transfers out	(36,700)	(26,229)	71.5%	64.9%
Capital Acquisitions	(10,893,999)	(8,702,157)	79.9%	0.0%
Contributed Capital	10,893,999	8,702,157	79.9%	0.0%
Add: Depreciation	2,376,000	577,105	24.3%	23.3%
Net income (loss)	<u>\$ 845,135</u>	<u>\$ (13,684)</u>		

Transit revenues for the current year are lower than budget due to timing of receipts of revenues. Revenue such as capital maintenance which is budgeted at \$2,250,000 will be received towards the end of the fiscal year. SB325 revenues for the first quarter of \$387,083 were received from the County of Los Angeles on October 12, 2011. The State Transit Assistance (STA) funds were received in full during the first quarter last year while \$219,524 of this year's STA funds was received in December. According to Metro there was a delay this year due to the delay in the receipt of funds from the State. In addition, the actual revenues are lower than last quarter because of the amount of Prop A Exchanges. Total Prop A Exchange this quarter is \$200,000 from the City of Palos Verdes Estates compared to \$1,050,000 from three different cities last year.

Expenses are within budget as of the first quarter. Capital acquisitions expenses include the purchase of seventeen new buses in the first quarter and three in the second quarter.

Operating transfers out represents transfers to the Data, Radio and PC Replacement Funds.

WATER FUND:

	<u>Budget</u>	<u>Actual</u>	<u>Fiscal Year 2011-12</u>	<u>Fiscal Year 2010-11</u>
Water Fund				
Revenues	\$32,901,055	\$9,233,055	28.1%	25.4%
Expenses	(31,467,359)	(7,456,347)	23.7%	25.1%
Operating income (loss)	1,433,696	1,776,708		
Interest Income	75,000	37,864	50.5%	17.0%
Interest Expense	(74,300)	(13,383)	18.0%	16.2%
Operating transfers out	(158,982)	(151,151)	95.1%	23.3%
Net income (loss)	<u>\$ 1,275,414</u>	<u>\$1,650,038</u>		

Revenues are within budget as of first quarter and higher than last year due to the water rate increase. On February 15, 2011, Council approved a series of water rates, service charge adjustments and a new conservation based tiered rate structure for the 5 year period of 2011 through 2015. The increase took effect on March 1, 2011. The annual budget for revenues was also adjusted this year to reflect the increase in rates. Interest income annual budget was adjusted this year to be more in line with actual interest received.

Expenses this quarter are within budget but lower than last year due to the decrease in cost of water. On February 15, 2011, Council also approved a change in the method for calculating Metropolitan Water District and other water cost pass-through adjustments to offset for higher wholesale water costs.

Transfers out account includes the annual transfer to the various replacements funds such as Radio, Data Communications and Personal Computer Replacement Funds.

EMERGENCY MEDICAL SERVICES FUND:

	<u>Budget</u>	<u>Actual</u>	<u>Fiscal Year 2011-12</u>	<u>Fiscal Year 2010-11</u>
Emergency Medical Services Fund				
Revenues	\$1,710,000	\$379,175	22.2%	20.9%
Expenses	(10,105,399)	(2,403,671)	23.8%	23.5%
Operating income (loss)	(8,395,399)	(2,024,496)		
Operating transfers in	8,975,199	2,069,863	22.6%	22.5%
Operating transfers out	(583,000)	(45,367)	7.8%	0.0%
From Fund Balance	3,200	-		
Net income (loss)	<u>\$ -</u>	<u>\$ -</u>		

The revenue sources of the Emergency Medical Services Fund are the Fire Advanced Life Support Response (ALS) and Transport fees, the medical re-supply fee, the ALS assessment fees, and the paramedic medical facility fees. The revenues this quarter are comparable to last year. It is projected that the revenues will be in line with budget at year-end.

This fund also receives subsidy from the General Fund to fund operations and as of first quarter the subsidy was \$2,069,863. Expenses are within budget as of the first quarter.

SANITATION FUND:

	<u>Budget</u>	<u>Actual</u>	<u>Fiscal Year 2011-12</u>	<u>Fiscal Year 2010-11</u>
Sanitation Fund				
Revenues	\$10,724,620	\$2,856,527	26.6%	23.5%
Expenses	(12,527,137)	(2,531,655)	20.2%	20.2%
Operating income (loss)	(1,802,517)	324,872		
Interest Income	35,000	2,839	8.1%	9.7%
Operating transfers in	75,000	18,825	25.1%	25.0%
Operating transfers out	(2,064)	(1,241)	60.1%	40.9%
From fund balance	1,100,858	-	0.0%	0.8%
Net income (loss)	<u>\$ (593,723)</u>	<u>\$ 345,295</u>		

The Sanitation Fund accounts for the refuse, recycling, waste management AB 939, and sewer maintenance operations. Revenues are within budget as of the first quarter. The

revenue budget for sanitation sewer fees were reduced by \$100,000 and the same amount was adjusted for recycling fee revenues to be more in line with actual revenues received.

Expenses are lower than budget primarily due to the timing of receipt for dump fees invoices. Operating transfers out represents the transfers to various replacement funds. The actual transfers are lower than last year. \$114,000 was transferred last year to the Landfill Gas Extraction Blower/Carbon System Project. There was no transfer to capital projects during the first quarter of this year.

CULTURAL ARTS
CENTER FUND:

	<u>Budget</u>	<u>Actual</u>	<u>Fiscal Year 2011-12</u>	<u>Fiscal Year 2010-11</u>
Revenues	\$1,161,490	\$249,513	21.5%	22.6%
Expenses	(2,103,677)	(504,708)	24.0%	23.7%
Operating income (loss)	(942,187)	(255,195)		
Non operating revenues	109,440	12,166	11.1%	10.8%
Operating transfers in	713,187	171,153	24.0%	25.2%
Operating transfers out	(58,208)	(12,152)	20.9%	69.1%
From Fund Bal-Capital	50,000	7,320	14.6%	25.2%
From Fund Bal-Operating	127,768	32,070	25.1%	25.2%
Over (under) subsidy	<u>\$ -</u>	<u>\$ (44,638)</u>		

The Cultural Arts Center (CAC) revenue sources come from rental of meeting rooms, classrooms and theater. Actual revenues compared to budget are low due to the economic conditions, cancelations and decrease in events being scheduled. Staff will closely monitor this fund. Expenses are within budget as of the first quarter.

Operating transfers in represents the General Fund subsidy to CAC and \$171,153 was received as of the first quarter. Operating transfers out is lower than last year because only \$7,320 was transferred this quarter to the CAC Facility Repairs and Equipment project. Last year, a total of \$75,000 was transferred to two capital projects: Fire Panel Replacement Project approved as part of the five year capital project plan and \$38,500 to fund the sound equipment at James Armstrong Theater.

SEWER FUND:

	<u>Budget</u>	<u>Actual</u>	<u>Fiscal Year 2011-12</u>	<u>Fiscal Year 2010-11</u>
Sewer Fund				
Revenues	\$1,530,500	\$388,856	25.4%	27.6%
Expenses	(2,390,020)	(566,898)	23.7%	23.0%
Operating income (loss)	(859,520)	(178,042)		
Interest Income	200,000	47,374	23.7%	14.2%
Operating transfers out	(659,958)	(603,783)	91.5%	10.7%
From Fund Balance	1,319,478	734,451		
Net income (loss)	<u>\$ -</u>	<u>\$ -</u>		

The Sewer Fund accounts for sewer discharge fees received for capital improvements to the City's sewer system. Actual revenues are within budget. The revenue budget was adjusted this year and decreased by \$182,000 to be more in line with total actual revenues received. Interest income is low due to lower interest rates.

Expenses are lower than budget primarily due to greater utilization of staff's time on capital improvement projects. Operating transfers out includes the following transfers to two capital projects: \$101,000 to fund the consulting services agreement for the Madrona Marsh Restoration and Enhancement Project and \$364,063 to fund the contract services for the Machado Lake Stormwater Quality Monitoring Project. \$119,895 was also transferred to Fleet Services Fund to partially fund the purchase of a sewer cleaning truck.

PARKS AND RECREATION FUND:

	<u>Budget</u>	<u>Actual</u>	<u>Fiscal Year 2011-12</u>	<u>Fiscal Year 2010-11</u>
Revenues	\$4,815,609	\$1,832,941	38.1%	36.3%
Expenses	(8,457,303)	(2,130,429)	25.2%	27.7%
Operating income (loss)	(3,641,694)	(297,488)		
Operating transfers in	3,283,695	824,208	25.1%	27.1%
Operating transfers out	(45,095)	(22,831)	50.6%	45.4%
Over (under) subsidy	<u>(\$403,094)</u>	<u>\$503,889</u>		
One-Time Transfers	<u>\$1,100,000</u>	<u>\$494,908</u>	45.0%	0.0%

The Parks and Recreation Enterprise Fund account for fee-related activities of the Community Services Department. The Fund is supported by user fees and operating transfers from the General Fund. Operating revenues are higher than budget due to the collection of fall class revenues and large number of registrants for summer programs. Revenues for this fund are accrued and are not on a cash basis. Revenues receipts for the current July 2011 – June 2012 fiscal year begin early May and expenses for the fund begin in July.

Both revenues and expenses are tracking slightly better than last year. Revenues are slightly higher at 38.1% as compared to last fiscal year at 36.3% and expenditures are slightly lower at 25.2% as compared to last fiscal year at 27.7%.

A one-time transfer from the General Fund of \$1,100,000 was budgeted this year to fund the negative cash of the Parks and Recreation Enterprise that was caused by prior year's net losses and decreased subsidies.

ANIMAL CONTROL FUND:

	<u>Budget</u>	<u>Actual</u>	<u>Fiscal Year 2011-12</u>	<u>Fiscal Year 2010-11</u>
Revenues	\$222,000	\$21,591	9.7%	11.7%
Expenses	(465,967)	(71,349)	15.3%	21.6%
Operating income (loss)	(243,967)	(49,758)		
Operating transfers in	243,967	49,758	20.4%	25.2%
Net Income (Loss)	<u>\$ -</u>	<u>\$ -</u>		

The Animal Control Fund accounts for animal licenses, permits, and operations of the Animal Control program. Revenues are at 9.7% of budget as of the first quarter. Typically, this fund received its revenues in the last few months of the fiscal year after renewal notices are sent in April. Expenses are lower than budget due to the vacant Animal Control Supervisor position which has been vacant since May 2011. In addition, the timing of receipt of invoices from the County of Los Angeles also caused the expenses to be lower. As of the first quarter, only the July invoice was received. Operating transfers in represents subsidy from the General Fund and as of the first quarter, \$49,758 was received from the General Fund.

RIDESHARE FUNDS:

The Air Quality Management District Fund (AQMD) and Vanpool/Rideshare Fund are the two funds that are used to account for the City's rideshare program. The AQMD Fund accounts for the City's compliance with air quality management regulations and the Vanpool/Rideshare Fund is used to account for rideshare revenues from Proposition C and fares.

AIR QUALITY MANAGEMENT DISTRICT FUND:

	<u>Budget</u>	<u>Actual</u>	<u>Fiscal Year 2011-12</u>	<u>Fiscal Year 2010-11</u>
Revenues	\$172,000	\$574	0.3%	0.3%
Expenses	(189,062)	(27,185)	14.4%	18.5%
Operating income (loss)	(17,062)	(26,611)		
From fund balance	17,062	17,062	100.0%	100.0%
Net Income (Loss)	<u>\$ -</u>	<u>(\$9,549)</u>		

The Air Quality Management District Fund (AQMD) revenues are lower than budget because the first quarter revenue of approximately \$44,000 is expected to be received towards the end of December. Expenditures are within budget as of the first quarter. Redemption of incentive program points was low during the quarter but typically high during the holiday season.

VANPOOL RIDESHARE FUND:

	<u>Budget</u>	<u>Actual</u>	<u>Fiscal Year 2011-12</u>	<u>Fiscal Year 2010-11</u>
Revenues	\$50,000	\$8,970	17.9%	20.0%
Expenses	(261,930)	(56,422)	21.5%	12.9%
Operating income (loss)	(211,930)	(47,452)		
Other Grants	44,000	10,122	23.0%	24.6%
Operating transfers in	167,930	41,982	25.0%	25.4%
Return to Prop C Fund	-	(4,652)		
Net Income (Loss)	<u>\$ -</u>	<u>\$</u>		

Vanpool revenues this quarter are lower compared to budget due to the timing of receipt of September vanpool fees. These fares were received in October. Revenues are also low because fewer employees participate in the program. Expenses are within budget and much higher than last year because there were no salary charges during the first quarter last year due to the employee being on leave. Operating transfers in are Proposition C funds received during the quarter. Unused funds during the year are to be returned to the Proposition C Fund.

2010-11 Year-End

At fiscal year-end, the General Fund generated a net available carryover of \$240,524. At year-end, total sources of funds (revenues, operating transfers and use of fund balances) received resulted in a budget shortfall of \$6,663,946. The shortfall was caused primarily from two revenue sources: Utility Users' Tax revenues were short of budget (due to a reduction in the usage of natural gas and the decline in revenues derived from cell phones) by \$4,682,626; and, Franchise Tax revenues were short of budget by \$1,217,725. All other sources of funds from the General Fund were below budget by \$763,595.

Expenditures for the year were under budget by \$6,904,470. All departments in the General Fund were within budget. The net carryover for fiscal year 2010-11 totaled \$240,524.

GENERAL FUND AND SELF INSURANCE FUND RESERVES

	Reserve Balances 06/30/2011	2011-12 Sources (Uses)	Reserve Balances 09/30/2011	Funding Goal
<u>CATEGORY 1: CONTINGENCY RESERVES</u>				
Economic Anomaly	\$ 10,121,349	\$ -	\$ 10,121,349	\$ 17,399,165 A)
Program Contingencies	657,692	(72,000)	585,692	(n/a)
Total	\$ 10,779,041	\$ (72,000)	\$ 10,707,041	\$ 17,399,165

CATEGORY 2: SPECIFIC PURPOSE RESERVES

Economic Development	\$ 512,453	\$ (120,000)	\$ 392,453	(n/a)
Balancing Strategies	1,602,109	(997,017)	605,092	(n/a)
Litigation	500,000		500,000	(n/a)
Program Innovation	195,433		195,433	(n/a)
Revolving Nuisance Abatement	80,000		80,000	(n/a)
Benefit Rate Mitigation	4,681,430	(478,286)	4,203,144	7,064,820 B)
Security Improvements	109,206		109,206	(n/a)
Cultural Arts Center Endowment	210,416		210,416	(n/a)
Alternative Fuel Vehicles	1,711,164		1,711,164	(n/a)
Total	\$ 9,602,211	\$ (1,595,303)	\$ 8,006,908	\$ 7,064,820

CATEGORY 3: FUNDING OF LIABILITIES RESERVES

				Outstanding
Compensated Absences	\$ 1,000,000	\$ -	\$ 1,000,000	\$ 20,831,811
General Liability/Workers' Compensation				
Claims	2,778,510	(190,000)	2,588,510	26,403,747 C)
Total	\$ 3,778,510	\$ (190,000)	\$ 3,588,510	\$ 47,235,558

A) Funding Goal is 10% of combined General Fund, Parks & Recreation Fund, Cultural Arts Center Fund, Animal Control Fund and Emergency Medical Services Fund net adopted 2011-12 appropriation level.

B) Represents 2 years of 5% for Public Safety and 2 years of 2% for Misc.

C) Based on the Actuarial Study of the Self Insurance Program Report as of fiscal year ending June 30, 2011. A percentage of this balance is funded by annual departmental budget for workers compensation and liability.

RESERVE DESCRIPTION AND FUNDING POLICY

Economic Anomaly Reserve: This reserve was established in fiscal year 1987-88 with two goals. The first was to provide a reserve that would assist the City in the reduction of reliance on year-end carryover to balance the next year's budget. Prior to 1988, the City relied upon generating between \$4 million and \$5 million in savings to balance the next fiscal year. Pursuant to Council direction, the reserve was established and the use of carryover was phased back over three year period to the current targeted limited use of \$600,000. The second goal of the reserve was to achieve a balance equal to 10% of the General Fund, Parks & Recreation Fund, Cultural Arts Center Fund, Animal Control Fund and the Emergency Medical Services Fund net adopted appropriation level as approved by Council for 2011-12. The balance of this reserve as of September 30, 2011 is \$10,121,349.

Program Contingencies Reserve: This reserve is to provide funding for program needs or special studies that arise throughout the year that were not anticipated during preparation of the budget. The balance of this reserve as of September 30, 2011 is \$585,692.

Economic Development Reserve: This reserve was established as part of the 1993 Capital Improvement Budget. Criteria for the use of funds to stimulate growth in the community were established during fiscal year 1993-94. As funds became available and return is received on the economic investments, the funding goal for this reserve is a minimum of \$500,000. \$100,000 of this reserve funds the annual budget of Economic Development program. Any unused balance at the end of each fiscal year is being returned to this reserve. The balance of this reserve as of September 30, 2011 is \$392,453.

Balancing Strategies Reserve: This reserve was established in the 2003-04 fiscal year to address the budget shortfall in the 2004-05 fiscal year. This reserve allows the City the flexibility to balance the budget over a period of time and allow time for balancing strategies time to be implemented. The balance as of September 30, 2011 is \$605,092.

Litigation Reserve: This reserve was established in April 1990 to provide a funding source for unanticipated, unbudgeted litigation expenses. Additions to the reserve have been through subsequent year-end carryover allocations, with appropriations from the reserve as approved by City Council during the budget years. There is no firm reserve addition policy; allocations to the reserve from carryover have been based on litigation likely tempered by other reserve requirements. The balance of this reserve as of September 30, 2011 is \$500,000.

Innovation Fund Reserve: This reserve was established in the adopted 1995-97 annual budget as a result of budget streamlining. A committee will refine application requirements and review applications, with approval concurrence by the City Manager. The broad principals for department application of the innovation funds are uses of the funds for the following items:

- Reduction of a departmental program cost.
- Holding the line on program costs.
- Improving services to clients (internal and external).
- Improving efficiency of a program or operation.

The original funding amount was to be \$300,000 annually. This was reduced to \$200,000 for fiscal year 1995-96 due to the automation capital projects recommended for approval. Many of these projects met the objectives of the innovation fund. The May 7, 1996 budget adjustments included a recommendation from the Building and Safety department that \$100,000 of this reserve be transferred to a Revolving Nuisance Abatement Reserve. This reserve was increased by \$150,000 from the General Fund carryover as approved by Council on November 20, 2007 item 12c. The balance of this reserve as of September 30, 2011 is \$195,433.

Revolving Nuisance Abatement Reserve: This reserve was established in May 1996 for the amount of \$100,000 from the Innovation Fund Reserve to fund maintenance for enforcing building standard codes when property owners are unable to comply. The reserve will be used for contract services to abate building nuisances and hazard on private property. The balance of this reserve as of September 30, 2011 is \$80,000.

Benefit Rate Mitigation: This reserve was established to mitigate rate increases in public employee's retirement system, health insurance, workers compensation, short term and long term disabilities, and liability claims. The balance of this reserve as of September 30, 2011 is \$4,203,144.

Security Improvements Reserve: This reserve was established and approved by Council on December 11, 2001 to be use for City facilities security improvements. The balance of this reserve as of September 30, 2011 is \$109,206.

Cultural Arts Center Endowment: This reserve was established in November 20, 2007 per Council approved item 12C, the funding which came from the 2006-07 General Fund carryover. During the 2007-08 fiscal year budget process in May, the City agreed to look into the feasibility of assisting the Cultural Arts Center Foundation by setting up an endowment fund. \$250,000 is to be used as a City match to donations to a Cultural Arts Center Endowment Fund. It is the City's intent to match endowment donations up to \$50,000 annually and only the interest earned from such donations would be used for Cultural Arts Center activities. The principal would be permanently preserved. \$39,584 was transferred in November 2009 to the Endowment Matching Fund. The balance of this reserve as of September 30, 2011 is \$210,416.

Alternative Fuel Vehicles Reserve: This reserve was established and approved by Council on January 10, 2006 in the amount of \$2,007,764 for the mandated use of alternative fuel vehicles and funded by the 2004-05 General Fund carryover. The balance of this reserve as of September 30, 2011 is \$1,711,164.

Compensated Absences Reserve: This reserve is to provide funding for those employees who exercise individual options to cash in portions of their accrued sick leave and vacation in excess of that provided for annually within the base budget which cannot be absorbed by the departments through year-end salary savings. The reserve has not been drawn upon because year-end salary savings have been available to absorb cash-out overages. The balance of this reserve as of September 30, 2011 is \$1,000,000.

General Liability/Workers Compensation Reserve: This reserve was established to be use to fund excess workers compensation and liability claims than what was annually budgeted for in the Self Insurance Fund. The reserves are funded from the General Fund two-thirds loss allocation savings for workers compensation claims and liability claims and also funded by year end carryover from prior fiscal years. The balance as of September 30, 2011 is \$2,588,510.

Schedules: Schedule A -- General Fund Revenue Summary - Budget to Actual for Twelve Months Ended June 30, 2011.

Schedule B -- Expenditures Summary by Fund -- Budget to Actual-All Funds With Annually Adopted Budgets for Twelve Months Ended June 30, 2011.

Schedule B-1 -- Expenditures Detail By Fund- Budget to Actual-All Funds With Annually Adopted Budgets-Salaries and Benefits Expenditures for Twelve Months Ended June 30, 2011.

Schedule B-2 -- Expenditures Detail By Fund- Budget to Actual-All Funds With Annually Adopted Budgets- Materials, Services, and Other Expenditures for Twelve Months Ended June 30, 2011.

Schedule B-3 -- Expenditures Summary-Budget to Actual-General Fund by Character for Twelve Months Ended June 30, 2011.

Schedule B-4 -- Adopted Budget and Amendments by Fund for Twelve Months Ended June 30, 2011.

Schedule C -- Internal Service and Enterprise Fund Revenue Summary- Budget to Actual for Twelve Months Ended June 30, 2011.

Schedule D -- Fleet Services-Combined Fund Balance Sheet for Twelve Months Ended June 30, 2011.

Schedule D-1 -- Fleet Services Combined Fund Statement of Revenues and Expenses-Budget to Actual for Twelve Months Ended June 30, 2011.

Schedule D-2 -- Fleet Services Combined Fund Statement of Cash Flows for Twelve Months Ended June 30, 2011

Schedule D-3 -- Fleet-Operations and Maintenance Statement of Revenues and Expenses-Budget to Actual for Twelve Months Ended June 30, 2011.

Schedule D-4 -- Fleet-Operations and Maintenance Statement of Cash Flows for Twelve Months Ended June 30, 2011.

Schedule D-5 -- Fleet-Vehicle Replacement Fund Statement of Revenues and Expenses-Budget to Actual for Twelve Months Ended June 30, 2011.

Schedule D-6 -- Fleet-Vehicle Replacement Fund Statement of Cash Flows for Twelve Months Ended June 30, 2011.

Schedule D-7 – Fleet-Shop Equipment Replacement Fund Statement of Revenues and Expenses-Budget to Actual for Twelve Months Ended June 30, 2011.

Schedule D-8 -- Fleet-Shop Equipment Replacement Fund Statement of Cash Flows for Twelve Months Ended June 30, 2011.

Schedule E -- Self-Insurance Fund Balance Sheet for Twelve Months Ended June 30, 2011.

Schedule E-1 -- Self-Insurance Fund Statement of Revenues and Expenses-Budget to Actual for Twelve Months Ended June 30, 2011.

Schedule E-2 -- Self-Insurance Fund Statement of Cash Flows for Twelve Months Ended June 30, 2011.

Schedule F -- Airport Fund Balance Sheet for Twelve Months Ended June 30, 2011.

Schedule F-1 -- Airport Combined Fund Statement of Revenues and Expenses-Budget to Actual for Twelve Months Ended June 30, 2011.

Schedule F-2 -- Airport Fund-Aeronautical Statement of Revenues and Expenses-Budget to Actual for Twelve Months Ended June 30, 2011.

Schedule F-3 -- Airport Fund Non-Aeronautical Statement of Revenues and Expenses-Budget to Actual for Twelve Months Ended June 30, 2011.

Schedule F-4 -- Airport Fund Statement of Cash Flows for Twelve Months Ended June 30, 2011.

Schedule G -- Transit Fund Balance Sheet for Twelve Months Ended June 30, 2011.

Schedule G-1 -- Transit Fund Statement of Revenues and Expenses-Budget to Actual for Twelve Months Ended June 30, 2011.

Schedule G-2 -- Transit Fund Statement of Cash Flows for Twelve Months Ended June 30, 2011.

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Schedule A

GENERAL FUND REVENUE SUMMARY-ANNUAL BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED JUNE 30, 2011 - 100.0% EXPIRED

	Annual Budget	Year-To-Date Actual	Budget %	FY 2010 Annual Budget	FY 2010 Year-To-Date Actual
<u>TAXES</u>					
Property taxes	\$ 28,530,000	\$ 28,260,150	99.1%	\$ 29,194,575	\$ 28,227,101
VLF Swap and repayment	11,070,000	11,074,900	100.0%	11,287,500	11,216,152
Sales and use taxes	26,000,000	28,965,148	111.4%	28,816,889	25,103,636
Sales tax flip	8,584,000	8,600,381	100.2%	9,915,000	7,666,250
Utility users tax:					
Electricity	15,400,000	14,661,294	95.2%	15,862,004	14,444,715
Gas:					
Refineries	6,100,000	3,867,422	63.4%	5,733,086	3,295,571
Other	3,000,000	2,652,830	88.4%	3,107,798	2,379,866
Water	1,900,000	1,913,645	100.7%	1,639,325	1,684,349
Cable	1,600,000	1,426,069	89.1%	1,682,702	1,571,041
Telecommunication/Cellular	9,000,000	8,388,684	93.2%	8,517,103	8,724,487
Sub Total - Utility users tax	37,000,000	32,909,944	88.9%	36,542,018	32,100,029
Business license tax/permit tax	7,900,000	8,024,995	101.6%	8,241,960	7,668,781
Franchise tax	5,400,000	4,693,735	86.9%	6,402,751	4,541,023
Occupancy tax	7,400,000	6,958,891	94.0%	8,329,408	6,400,236
PSAF	1,350,000	1,201,164	89.0%	1,364,928	1,148,942
Construction tax	800,000	693,972	86.7%	825,130	697,727
Real property transfer tax	600,000	468,710	78.1%	450,000	516,996
Oil severance tax	10,000	7,374	73.7%	10,000	6,391
TOTAL TAXES	134,644,000	131,859,364	97.9%	141,380,159	125,293,264
<u>LICENSES AND PERMITS</u>					
Construction permits/other license fee/permits	2,094,000	1,707,047	81.5%	2,413,910	1,776,693
TOTAL LICENSES/ FEES	2,094,000	1,707,047	81.5%	2,413,910	1,776,693
<u>FINES AND FORFEITURES</u>					
General court fines	300,000	331,719	110.6%	529,000	178,896
Traffic fines/parking citations	1,175,000	752,774	64.1%	1,437,047	860,914
TOTAL FINES/FORFEITURES	1,475,000	1,084,493	73.5%	1,966,047	1,039,810
<u>REV-USE OF MONEY/PROPERTY</u>					
Investment earnings	2,001,570	447,617	22.4%	4,371,360	2,624,386
Rents, royalties and leases	1,325,513	1,315,057	99.2%	955,797	948,508
TOTAL USE OF MONEY/PROPERTY	3,327,083	1,762,674	53.0%	5,327,157	3,572,894
<u>REVENUES FROM OTHER AGENCIES</u>					
State motor vehicle licenses	580,000	684,566	118.0%	367,221	437,789
State homeowners' property tax	250,000	5,182	2.1%	250,000	238,905
Other State revenues	150,000	330,391	220.3%	-	150,406
TOTAL OTHER AGENCIES	980,000	1,020,139	104.1%	617,221	827,100
<u>CHARGES FOR CURRENT SERVICES</u>					
City Clerk	15,500	8,773	56.6%	15,500	13,469
Community Development	1,639,413	1,266,076	77.2%	2,068,508	1,297,767
Community Services	556,000	561,144	100.9%	422,523	478,355
Non-Departmental	7,300	19,019	260.5%	7,300	3,481
Police	680,000	509,581	74.9%	668,364	568,947
Fire	1,834,987	2,046,713	111.5%	1,690,211	1,864,343
Public Works	136,000	144,795	106.5%	136,000	122,145
TOTAL CURRENT SERVICE CHARGES	4,869,200	4,556,101	93.6%	5,008,406	4,348,507
<u>OTHER REVENUES</u>					
Other revenues	859,484	980,923	114.1%	62,520	1,545,937
Contributions-Enterprises	3,130,970	3,148,970	100.6%	3,030,930	3,053,066
Operating transfers in	14,634,185	14,579,873	99.6%	13,556,634	16,718,049
TOTAL OTHER REVENUES	18,624,639	18,709,766	100.5%	16,650,084	21,317,052
Total General Fund Revenues	\$ 166,013,922	\$ 160,699,584	96.8%	\$ 173,362,984	158,175,320

EXPENDITURES SUMMARY BY FUND - BUDGET TO ACTUAL - ALL FUNDS WITH ANNUALLY ADOPTED BUDGETS
FOR TWELVE MONTHS ENDED, JUNE 30, 2011 - 100% EXPIRED

Schedule B

	FY 10-11			FY 09-10	
	REVISED BUDGET	EXPEND WITHOUT ENCUMBR	% OF BUDGET TO ACTUAL W/O ENC	REVISED BUDGET	EXPEND WITHOUT ENCUMBR
GENERAL FUND					
BY DEPARTMENT:					
Council/Commissions	\$ 594,685	\$ 526,657	88.6%	637,892	580,149
City Manager	2,749,131	2,580,608	93.9%	2,775,205	2,656,131
City Attorney	2,142,685	1,979,054	92.4%	2,706,586	2,357,349
City Clerk	868,470	835,375	96.2%	1,118,856	1,113,565
City Treasurer	856,314	721,924	84.3%	834,016	819,438
Finance	3,816,601	3,601,911	94.4%	4,236,271	3,601,933
Human Resources	2,581,393	2,375,288	92.0%	2,714,665	2,563,062
Civil Service	470,281	379,967	80.8%	462,295	410,579
Community Development	7,788,473	7,750,315	99.5%	8,437,803	8,107,582
Comm & Info Tech	4,656,856	4,437,169	95.3%	4,761,698	4,545,002
General Services	3,932,321	3,602,307	91.6%	4,189,325	3,817,908
Police	62,672,941	61,935,107	98.8%	63,650,284	61,626,565
Fire	26,165,376	26,098,587	99.7%	26,936,784	26,067,465
Public Works	12,090,188	10,622,204	87.9%	12,361,975	10,962,253
Community Services	14,333,413	14,110,944	98.4%	14,616,627	13,926,336
Non-Departmental (1001 only):					
Insurance	25,000	13,691	54.8%	32,882	15,437
Community Promotion	178,622	173,944	97.4%	364,122	284,898
Non-Departmental	3,690,018	1,622,618	44.0%	3,705,743	1,436,629
Leaseback	4,095,670	4,081,915	99.7%	3,056,148	3,024,201
Community Improvements	140,000	28,765	20.5%	140,000	24,764
Indirect Costs Reim.	(5,036,212)	(4,562,099)	90.6%	(5,009,328)	(4,584,797)
Transfers	20,896,082	19,912,587	95.3%	21,247,479	16,138,258
HIP	25,000	-	0.0%	25,000	-
Total General Fund	169,733,308	162,828,838	95.9%	174,002,326	159,494,707
Fleet Svcs					
Fleet Svcs	5,966,472	5,545,666	92.9%	6,015,410	6,039,861
Self - Insurance					
Self - Insurance	5,120,798	6,488,624	126.7%	7,013,580	6,569,674
Total Internal Service	11,087,270	12,034,290	108.5%	13,028,990	12,609,535
Enterprise					
Airport	11,640,526	11,292,456	97.0%	12,056,444	11,638,406
Transit	23,528,272	21,940,787	93.3%	26,080,245	24,248,512
Water	30,683,649	29,203,295	95.2%	29,319,556	27,710,113
Emergency Medical Services	10,284,526	10,266,145	99.8%	10,180,363	9,513,635
Sanitation	12,519,669	12,135,641	96.9%	12,550,700	12,281,958
Cultural Arts	2,339,585	2,136,590	91.3%	2,252,807	2,154,673
Sewer	2,672,100	2,519,459	94.3%	2,633,399	2,575,234
Parks & Recreation	8,314,813	7,976,055	95.9%	8,351,128	8,151,421
Total Enterprise	101,983,140	97,470,428	95.6%	103,424,642	98,273,952
Section 8 Rental Assistance					
Section 8 Rental Assistance	6,805,520	6,568,857	96.5%	6,635,120	6,545,715
Rehab Loan Program (HCD)					
Rehab Loan Program (HCD)	4,300	-	0.0%	4,300	-
Redevelopment Agency	17,117,470	14,224,859	83.1%	18,731,482	19,065,733
Cable & Comm Relations	1,600,446	1,600,250	100.0%	1,580,212	1,565,500
Cable Public Edu Gov Access	-	-	N/A	-	-
Cable TV Public Access	418,456	418,456	100.0%	408,000	402,809
Air Quality Mgmt District	196,582	162,514	82.7%	198,590	181,689
Animal Control Fund	461,866	405,402	87.8%	488,636	442,493
Van Pool/Ride Share	265,100	201,081	75.9%	259,089	601,207
Gas Tax (Transfers Only)	1,040,000	1,040,000	100.0%	840,000	840,000
Street Lighting District	3,185,477	2,628,942	82.5%	3,259,507	2,693,685
Torrance Pub Fin Auth Debt Svc	4,576,230	4,576,230	100.0%	3,514,714	3,514,713
Total External Funds	35,671,447	31,826,591	89.2%	35,919,650	35,853,544
GRAND TOTAL	\$ 318,475,165	\$ 304,160,147	95.5%	\$ 326,375,608	\$ 306,231,738

EXPENDITURES DETAIL BY FUND - BUDGET TO ACTUAL - ALL FUNDS WITH ANNUALLY ADOPTED BUDGETS
SALARIES AND BENEFITS EXPENDITURES
FOR TWELVE MONTHS ENDED, JUNE 30, 2011 - 100% EXPIRED

Schedule B-1

	FY 10-11			FY 09-10	
	SALARIES AND BENEFITS BUDGET	SALARIES AND BENEFITS ACTUAL	% OF BUDGET TO ACTUAL	REVISED BUDGET	SALARIES & BENEFITS ACTUAL
GENERAL FUND					
BY DEPARTMENT:					
Council/Commissions	\$ 230,200	\$ 218,739	95.0%	\$ 231,500	\$ 217,239
City Manager	1,905,848	1,899,947	99.7%	1,923,780	1,937,531
City Attorney	1,700,457	1,666,612	98.0%	2,299,269	2,110,170
City Clerk	648,344	648,344	100.0%	656,682	654,645
City Treasurer	647,863	554,186	85.5%	642,707	642,151
Finance	3,245,864	3,132,801	96.5%	3,345,534	3,071,573
Human Resources	1,839,256	1,849,443	100.6% (A)	1,923,734	1,873,646
Civil Service	363,018	312,811	86.2%	341,818	308,859
Community Development	6,847,565	6,849,112	100.0%	7,152,057	7,139,408
Comm & Info Tech	3,874,153	3,775,439	97.5%	3,754,555	3,646,311
General Services	2,721,385	2,723,331	100.1% (B)	2,842,984	2,945,021
Police	57,512,272	56,970,198	99.1%	58,150,270	56,532,719
Fire	24,135,753	24,305,378	100.7% (C)	24,836,213	24,205,699
Public Works	7,115,462	6,427,960	90.3%	7,803,972	7,340,394
Community Services	10,260,329	10,232,559	99.7%	10,622,452	10,009,437
Non-Departmental (1001 only):					
Non-Departmental	1,204,011	108,545	9.0%	1,731,921	(408,314)
Community Improvements	10,000	-	0.0%	10,000	-
HIP	15,000	-	0.0%	15,000	-
Total General Fund	124,276,780	121,675,405	97.9%	128,284,448	122,226,489
Fleet Svcs	3,095,127	3,040,892	98.2%	3,134,732	3,077,323
Self - Insurance	742,000	704,921	95.0%	791,100	795,260
Total Internal Service	3,837,127	3,745,813	97.6%	3,925,832	3,872,583
Airport	1,712,083	1,583,428	92.5%	1,739,466	1,664,428
Transit	12,981,916	12,032,672	92.7%	13,489,241	12,343,189
Water	4,959,870	4,551,034	91.8%	5,072,111	4,426,486
Emergency Medical Services	9,366,907	9,330,955	99.6%	9,822,764	9,191,525
Sanitation	4,693,561	4,670,393	99.5%	4,726,188	4,552,459
Cultural Arts	1,549,664	1,506,095	97.2%	1,562,921	1,574,993
Sewer	942,012	877,364	93.1%	877,903	865,050
Parks & Recreation	5,114,997	5,146,478	100.6% (D)	5,066,057	5,100,536
Total Enterprise	41,321,010	39,698,419	96.1%	42,356,651	39,718,666
Section 8 Rental Assistance	528,100	492,111	93.2%	471,000	470,751
Rehab Loan Program (HCD)	4,100	-	0.0%	4,100	-
Redevelopment Agency	306,250	237,103	77.4%	257,050	238,493
Cable & Comm Relations	941,464	941,558	100.0%	893,322	910,291
Cable Public Edu Gov Access	-	-	N/A	-	-
Cable TV Public Access	309,326	309,327	100.0%	306,311	309,171
Air Quality Mgmt District	50,200	42,807	85.3%	52,208	44,976
Animal Control Fund	341,400	307,475	90.1%	334,600	329,273
Van Pool/Ride Share	70,741	49,562	70.1%	73,450	64,539
Street Lighting District	604,029	404,957	67.0%	703,380	455,435
Total External Funds	3,155,610	2,784,900	88.3%	3,095,421	2,822,929
GRAND TOTAL	\$ 172,590,527	\$ 167,904,537	97.3%	\$ 177,662,352	\$ 168,640,667

- (A) Temporary Employees expenditures of \$41,000 were not budgeted for and the budget for Move-up was over budget by \$24,000. These were only partially offset by savings in other expenditures.
- (B) Salary reimbursement for project management fees as of June 30, 2011 is 18.3%. There are less construction contracts over \$50,000 this year.
- (C) Qualified Relief has exceeded budget due to vacancies and a training academy for 10 new recruits earlier in the year.
- (D) Recreation Services salaries exceeded annual budget due to the following:
Overtime exceeded budget by \$23,578; compensatory leave exceeded by \$31,308 and workers compensation up to 4 years exceeded by \$15,394. Overall, the Recreation Services Division is within its expenses budget at year-end.

EXPENDITURES DETAIL BY FUND - BUDGET TO ACTUAL-ALL FUNDS WITH ANNUALLY ADOPTED BUDGETS
MATERIALS, SERVICES AND OTHER EXPENDITURES
FOR TWELVE MONTHS ENDED, JUNE 30, 2011 - 100% EXPIRED

Schedule B-2

	FY 10-11					FY 09-10	
	MATERIALS, SERVICES, OTHERS					MATERIALS, SERVICES, OTHERS	
	REVISED BUDGET	ACTUAL EXP WITHOUT ENC	ACTUAL REIMB	ACTUAL EXPENSE NET OF REIMB	% Of BUDGET TO ACTUAL W/O ENC	REVISED BUDGET	EXPENDITURES WITHOUT ENCUMBRANCES
GENERAL FUND							
BY DEPARTMENT:							
Council/Commissions	\$ 364,485	\$ 307,918		\$ 307,918	84.5%	\$ 406,392	\$ 362,910
City Manager	843,283	680,661		680,661	80.7%	851,425	718,600
City Attorney	442,228	312,442		312,442	70.7%	407,317	247,179
City Clerk	220,126	187,031		187,031	85.0%	462,174	458,920
City Treasurer	208,451	167,738		167,738	80.5%	191,309	177,287
Finance	570,737	886,141	(417,031)	469,110	82.2%	890,737	530,360
Human Resources	742,137	539,484	(13,639)	525,845	70.9%	790,931	689,416
Civil Service	107,263	67,156	-	67,156	62.6%	120,477	101,720
Community Development	940,908	907,713	(6,510)	901,203	95.8%	1,285,746	968,174
Comm & Info Tech	782,703	1,521,733	(860,003)	661,730	84.5%	1,007,143	898,691
General Services	1,210,936	1,926,667	(1,047,691)	878,976	72.6%	1,346,341	872,887
Police	5,160,669	4,971,841	(6,932)	4,964,909	96.2%	5,500,014	5,093,846
Fire	2,029,623	2,072,861	(279,652)	1,793,209	88.4%	2,100,571	1,861,766
Public Works	4,974,726	4,770,900	(576,656)	4,194,244	84.3%	4,558,003	3,621,859
Community Services	4,073,084	3,896,590	(18,205)	3,878,385	95.2%	3,994,175	3,916,899
Non-Departmental (1001 only):						-	-
Insurance	25,000	13,691	-	13,691	54.8%	32,882	15,437
Hazardous Waste	-	-	-	-	N/A	-	-
Community Promotion	178,622	173,944	-	173,944	97.4%	364,122	284,898
Non-Departmental	2,486,007	1,519,166	(5,093)	1,514,073	60.9%	1,973,822	1,844,943
Leaseback	4,095,670	4,081,915	-	4,081,915	99.7%	3,056,148	3,024,201
Community Improvements	130,000	28,765	-	28,765	22.1%	130,000	24,764
Indirect Costs Reim.	(5,036,212)	(4,562,099)	-	(4,562,099)	90.6%	(5,009,328)	(4,584,797)
Transfers	20,896,082	19,912,587	-	19,912,587	95.3%	21,247,479	16,138,258
HIP	10,000	-	-	-	0.0%	10,000	-
Total General Fund	45,456,528	44,384,845	(3,231,412)	41,153,433	90.5%	\$45,717,877	37,268,218
 Fleet Svcs	 2,871,345	 2,514,516	 (9,742)	 2,504,774	 87.2%	 2,880,678	 2,962,538
Self - Insurance	4,378,798	5,783,703	-	5,783,703 (A)	132.1%	6,222,480	5,774,414
Total Internal Service	7,250,143	8,298,219	(9,742)	8,288,477	114.3%	9,103,158	8,736,952
 Airport	 9,928,443	 9,709,028	 -	 9,709,028	 97.8%	 10,316,978	 9,973,978
Transit	10,546,356	9,908,115	-	9,908,115	93.9%	12,591,004	11,905,323
Water	25,723,779	24,677,511	(25,250)	24,652,261	95.8%	24,247,445	23,283,627
Emergency Medical Services	917,619	935,190	-	935,190 (B)	101.9%	357,599	322,110
Sanitation	7,826,108	7,525,851	(60,603)	7,465,248	95.4%	7,824,512	7,729,499
Cultural Arts	789,921	630,495	-	630,495	79.8%	689,886	579,680
Sewer	1,730,088	1,642,095	-	1,642,095	94.9%	1,755,496	1,710,184
Parks & Recreation	3,199,816	2,829,577	-	2,829,577	88.4%	3,285,071	3,050,885
Total Enterprise	60,662,130	57,857,862	(85,853)	57,772,009	95.2%	61,067,991	58,555,286
 Section 8 Rental Assistance	 6,277,420	 6,076,746	 -	 6,076,746	 96.8%	 6,164,120	 6,074,964
Rehab Loan Program (HCD)	200	-	-	-	0.0%	200	-
Redevelopment Agency	16,811,220	13,987,756	-	13,987,756	83.2%	18,474,432	18,827,240
Cable & Comm Relations	658,982	680,892	(22,200)	658,692	100.0%	686,890	655,209
Cable Public Edu Gov Access	-	-	-	-	N/A	-	-
Cable TV Public Access	109,130	109,129	-	109,129	100.0%	101,689	93,638
Air Quality Mgmt District	146,382	119,707	-	119,707	81.8%	146,382	136,713
Animal Control Fund	120,466	97,927	-	97,927	81.3%	154,036	113,220
Van Pool/Ride Share	194,359	151,519	-	151,519	78.0%	185,639	536,668
Gas Tax (Transfers Only)	1,040,000	1,040,000	-	1,040,000	100.0%	840,000	840,000
Street Lighting District	2,581,448	2,223,985	-	2,223,985	86.2%	2,556,127	2,238,250
Torrance Pub Fin Auth Debt Svc	4,576,230	4,576,230	-	4,576,230	100.0%	3,514,714	3,514,713
Total External Funds	32,515,837	29,063,891	(22,200)	29,041,691	89.3%	32,824,229	33,030,615
 GRAND TOTAL	 \$ 145,884,638	 \$ 139,604,817	 \$ (3,349,207)	 \$ 136,255,610	 93.4%	 \$ 148,713,255	 \$ 137,591,071

(A) A year-end adjustment of approximately \$1.5 million was made per the June 30, 2011 workers' compensation and liability actuarial report.

(B) Equipment purchases reimbursement budget was not reduced at year-end in the amount of \$32,700.

Schedule B-3

EXPENDITURES SUMMARY - BUDGET TO ACTUAL - GENERAL FUND (1001) BY CHARACTER
FOR TWELVE MONTHS ENDED, JUNE 30, 2011 - 100% EXPIRED

	Revised Budget FY 10-11	EXPENDITURES WITHOUT ENCUMBRANCES	% OF ANNUAL BUDGET TO ACTUAL WITHOUT ENC.	ENCUMB.	% OF ANNUAL BUDGET TO ACTUAL WITH ENC.
Salaries and Benefits	\$ 134,956,394	\$ 130,851,884	73.3%	\$ -	97.0%
Salaries and Benefits Reimb	(10,679,614)	(9,176,479)	64.2%	-	85.9%
Subtotal Salaries and Benefits	124,276,780	121,675,405	97.9%	-	97.9%
Materials and Supplies	12,365,527	9,927,848	80.3%	934,386	87.8%
Senior Mobile Home Subsidy	50,000	50,000	100.0%	-	100.0%
Prof Services/Contracts/Utilities	8,494,353	7,555,392	88.9%	356,324	93.1%
Travel, Training & Membership Dues	823,556	661,054	80.3%	111,724	93.8%
Depreciation and Amortization	6,600	6,600	100.0%	-	100.0%
Liabilities and Other Insurance	1,673,846	1,381,682	82.5%	69,825	86.7%
Interdepartmental Charges	3,635,310	3,635,310	100.0%	-	100.0%
Debt Service	4,808,331	4,786,675	99.5%	-	99.5%
Capital Acquisition	306,930	156,496	51.0%	7,354	53.4%
Reimb from Other Funds	(3,441,105)	(3,231,412)	93.9%	-	93.9%
Other Expenditures	109,440	109,440	100.0%	-	100.0%
Reimb - Indirect Costs	(5,036,212)	(4,562,099)	90.6%	-	90.6%
Operating Transfers Out	21,659,952	20,676,447	95.5%	-	95.5%
Other Financing Uses	-	-	N/A	-	N/A
Subtotal Materials, Supplies, & Services	45,456,528	41,153,433	90.5%	1,479,613	93.8%
Total General Fund - 1001	169,733,308	162,828,838	95.9%	1,479,613	96.8%

ADOPTED BUDGET AND AMENDMENTS BY FUND
FOR TWELVE MONTHS ENDED, JUNE 30, 2011 - 100% EXPIRED

Schedule B-4

	ANNUAL ADOPTED BUDGET FY 10-11	PRIOR YEAR ENCUMBRANCE BUDGET	ANNUAL BUDGET AMENDMENTS FY 10 11	ANNUAL AMENDED BUDGET FY 10-11
GENERAL FUND				
BY DEPARTMENT:				
Council/Commissions	\$587,243	\$ -	\$ 7,442	\$ 594,685
City Manager	2,597,831	40,266	111,034 (A)	2,749,131
City Attorney	2,360,892	-	(218,207) (B)	2,142,685
City Clerk	876,645	24,326	(32,501)	868,470
City Treasurer	856,314	-	-	856,314
Finance	4,008,301	-	(191,700) (B)	3,816,601
Human Resources	2,524,126	25,000	32,267	2,581,393
Civil Service	466,471	-	3,810	470,281
Community Development	7,751,633	82,725	(45,885)	7,788,473
Comm & Info Tech	4,667,801	7,955	(18,900)	4,656,856
General Services	3,981,679	24,082	(73,440) (B)	3,932,321
Police	63,862,900	32,127	(1,222,086) (B)	62,672,941
Fire	26,048,392	13,760	103,224	26,165,376
Public Works	12,047,178	208,073	(165,063)	12,090,188
Community Services	14,444,667	20,357	(131,611) (B)	14,333,413
Non-Departmental (1001 only):				
Insurance	25,000	-	-	25,000
Hazardous Waste	-	-	-	-
Community Promotion	157,622	-	21,000	178,622
Non-Departmental	4,066,153	6,050	(382,185) (C/L)	3,690,018
Leaseback	4,095,670	-	-	4,095,670
Community Improvements	140,000	-	-	140,000
Indirect Costs Reim.	(5,036,212)	-	-	(5,036,212)
Transfers	22,559,786	-	(1,663,704) (B)	20,896,082
HIP	25,000	-	-	25,000
Total General Fund	173,115,092	484,721	(3,866,505)	169,733,308
Fleet Svcs				
Fleet Svcs	5,949,962	72,835	(56,325)	5,966,472
Self - Insurance	3,971,898	149,970	998,930 (D)	5,120,798
Total Internal Service	9,921,860	222,805	942,605	11,087,270
Airport				
Airport	11,572,661	12,563	55,302	11,640,526
Transit	23,722,478	8,398,067	(8,592,272) (E)	23,528,273
Water	28,889,154	141,685	1,652,810 (B/J)	30,683,649
Emergency Medical Services	10,868,059	-	(583,533) (F)	10,284,526
Sanitation	11,569,339	150,759	799,570 (B/H)	12,519,668
Cultural Arts	2,177,687	-	161,898	2,339,585
Sewer	2,381,924	8,500	281,676 (K)	2,672,100
Parks & Recreation	8,154,592	29,706	130,515	8,314,813
Total Enterprise	99,335,894	8,741,280	(6,094,034)	101,983,140
Section 8 Rental Assistance				
Section 8 Rental Assistance	6,670,520	-	135,000	6,805,520
Rehab Loan Program (HCD)	4,300	-	-	4,300
Redevelopment Agency	17,666,582	-	(549,112) (B/I/L)	17,117,470
Cable & Comm Relations	1,565,155	4,351	30,940	1,600,446
Cable Public Edu Gov Access	-	-	-	-
Cable TV Public Access	417,617	2,176	(1,337)	418,456
Air Quality Mgmt District	196,582	-	-	196,582
Animal Control Fund	461,866	-	-	461,866
Van Pool/Ride Share	260,101	-	4,999	265,100
Gas Tax (Transfers Only)	-	-	1,040,000 (B/G)	1,040,000
Street Lighting District	3,185,477	-	-	3,185,477
Torr Public Financing Auth Debt Svc	4,576,230	-	-	4,576,230
Total External Funds	35,004,430	6,527	660,490	35,671,447
GRAND TOTAL	\$ 317,377,276	\$ 9,455,333	\$ (8,357,444)	\$ 318,475,165

- (A) Budget amendments approved by Council on 12/7/10-Item 10C; 10/26/10-Item 10A and purchase order rollovers for education and training.
- (B) Budget amendments approved by Council on October 12, 2010 - Item 12A.
- (C) Interest on Tax Revenue Anticipation Notes - Council item 12C 2010-11.
- (D) Budget amendments approved by Council on April 26, 2011 Items 8D and 12A.
- (E) Adjust Asset Contra account budget due to Purchase Order rollover.
- (F) Budget transfer from EMS to Fire General Fund for Health Insurance and Paramedic charges.
- (G) Annual budget for 2010.
- (H) Budget amendments approved by Council on August 24, 2010 Item 8F.
- (I) Budget amendments approved by Council on October 19, 2010 - Item 4B - Decorative lights on El Prado.
- (J) Budget adjustments due to cost of water increases. Council approved water rate increase on February 15, 2011.
- (K) Budget amendment approved by Council on March 1, 2011 Item 12D.
- (L) Reversal of budget not needed related to interfund advances.

Schedule C

INTERNAL SERVICE & ENTERPRISE FUND REVENUE SUMMARY-BUDGET TO ACTUAL FOR TWELVE MONTHS ENDED, JUNE 30, 2011 - 100% EXPIRED

	FY 10-11					FY 09-10		
	Revised Budget	Budgeted Use of Fund Bal	Total Budget	Year-To-Date Actual	% of Budget to Actual	Revised Budget	Year-To-Date Actual	% of Actual to Actual
Fleet Services	\$ 6,331,625	\$ -	\$ 6,331,625	\$ 6,476,351	102.3%	\$ 7,219,247	\$ 6,611,898	100.0%
Self-Insurance	3,556,277	-	3,556,277	3,724,171	104.7%	6,207,688	4,980,787	100.0%
Total Internal Service	9,887,902	-	9,887,902	10,200,522	103.2%	13,426,935	11,592,685	100.0%
Airport	11,420,000	220,526	11,640,526	11,292,455	97.0%	12,056,444	11,638,406	100.0%
Transit	21,252,432	-	21,252,432	21,923,783	103.2%	23,932,244	29,292,109	100.0%
Water	30,327,155	-	30,327,155	30,295,271	99.9%	29,319,556	27,710,112	100.0%
Emergency Medical Svcs	10,283,027	1,500	10,284,527	10,266,145	99.8%	10,180,363	9,513,634	100.5%
Sanitation	11,164,620	1,355,050	12,519,670	12,135,643	96.9%	12,550,701	12,281,958	100.0%
Cultural Arts	2,009,005	50,000	2,059,005	1,929,189	93.7%	2,198,429	2,025,048	100.0%
Sewer	2,112,500	559,600	2,672,100	2,287,830	85.6%	2,633,400	2,575,235	100.0%
Parks & Recreation	8,095,784	-	8,095,784	7,447,316	92.0%	8,307,874	7,853,663	100.0%
Total Enterprise	\$ 96,664,523	\$ 2,186,676	\$ 98,851,199	\$ 97,577,632	98.7%	\$ 101,179,011	\$ 102,890,165	100.0%

NOTE: BUDGET TO ACTUAL VARIANCES CAN BE FOUND ON SUBSEQUENT FINANCIAL STATEMENTS.

FLEET SERVICES - COMBINED**BALANCE SHEET
JUNE 30, 2011**

	Fund 7201 Operations and Maintenance June 30, 2011	Fund 7202 Vehicle Replacement June 30, 2011	Fund 7204 Shop Equipment Replacement June 30, 2011	Total
ASSETS				
Pooled cash and investments	\$ (586,033)	\$ 14,331,990	\$ 144,811	\$ 13,890,768
Accounts receivable	12,197	-	-	12,197
Accrued interest receivable	-	49,052	-	49,052
Inventories	1,174,823	-	-	1,174,823
Total Current Assets	600,987	14,381,042	144,811	15,126,840
Property, plant and equipment, net	-	8,976,292	7,088	8,983,380
Total Assets	\$ 600,987	\$ 23,357,334	\$ 151,899	\$ 24,110,220
LIABILITIES AND FUND EQUITY				
Current Liabilities				
Accounts payable	\$ 271,751	\$ 66,985	\$ -	\$ 338,736
Accrued salaries and benefits	398,956	-	-	398,956
Total Liabilities	670,707	66,985	-	737,692
Fund Equity (Deficit)				
Retained earnings - reserved	-	21,237,708	-	21,237,708
Retained earnings (deficit) - unreserved	(69,720)	2,052,641	151,899	2,134,820
Total Liabilities and Fund Equity (Deficit)	\$ 600,987	\$ 23,357,334	\$ 151,899	\$ 24,110,220

Schedule D-1

FLEET SERVICES - COMBINED FUNDS

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL FOR TWELVE MONTHS ENDED, JUNE 30, 2011 - 100% EXPIRED

	FY 2011 Annual Budget	Year-To-Date Actual Without Enc.	Budget % Without Enc.	FY 2010 Annual Budget	2010 Year-To-Date Actual Without Enc.	2010 Actual to Actual % Without Enc.
OPERATING REVENUES						
Rental Income	\$ 7,020	\$ 2,560 (A)	36.5%	7,020	\$ 1,885	100.0%
Charges for services	5,123,328	5,577,972 (B)	108.9%	5,123,328	4,529,933	100.0%
Total Operating Revenues	5,130,348	5,580,532	108.8%	5,130,348	4,531,818	100.0%
OPERATING EXPENSES:						
Salaries and employee benefits	3,095,127	3,040,892 (C)	98.2%	3,134,732	3,077,323	100.0%
Materials and supplies	415,488	393,247	94.6%	459,766	459,219	100.0%
Other Professional Services	69,516	54,202 (D)	78.0%	47,792	47,790	100.0%
Depreciation	2,200,000	1,901,711	86.4%	2,178,016	2,092,260	100.0%
Interdepartmental charges	113,520	113,520	100.0%	116,628	116,628	100.0%
Liability and claims	23,943	7,555 (E)	31.6%	23,943	13,228	100.0%
Other	20,300	5,961 (F)	29.4%	15,100	15,100	100.0%
Total Operating Expenses	5,937,894	5,517,088	92.9%	5,975,977	5,821,548	100.0%
OPERATING INCOME (LOSS)	(807,546)	63,444	107.9%	(845,629)	(1,289,730)	100.0%
NON-OPERATING REVENUES (LOSS)						
Interest income - Operations	450,000	172,424 (G)	38.3%	450,000	397,840	100.0%
Gain from sale of fixed assets	80,464	52,582	65.3%	80,464	123,805	100.0%
(Loss) from sale of fixed assets	-	-	N/A	(21,984)	(21,984)	N/A
Miscellaneous revenues	-	-	N/A	-	-	N/A
Total Non-Operating Revenues (Loss)	530,464	225,006	42.4%	508,480	499,661	100.0%
Income (Loss) before transfers	(277,082)	288,450	204.1%	(337,149)	(790,069)	100.0%
OPERATING TRANSFERS IN	670,813	670,813	100.0%	1,558,435	1,558,435	100.0%
OPERATING TRANSFERS OUT	(28,578)	(28,578)	100.0%	(17,449)	(196,328)	100.0%
NET INCOME (LOSS) BEFORE VEHICLE ACQUISITIONS	365,153	930,685	254.9%	1,203,837	572,038	100.0%
VEHICLE ACQUISITIONS	(1,494,969)	(1,128,275) (H)	75.5%	(6,007,282)	(3,931,322)	100.0%
ADD: DEPRECIATION	2,200,000	1,901,711	86.4%	1,720,000	2,089,745	100.0%
CHANGE IN CASH AVAILABLE AFTER VEHICLE ACQUISITIONS AND ADDITION OF DEPRECIATION	\$ 1,070,184	\$ 1,704,121	159.2%	(3,083,445)	(1,269,539)	100.0%
FUEL AND PARTS INVENTORY						
Parts Inventory Purchases	\$ 1,189,621	\$ 1,329,045 (I)	111.7%	1,223,559	\$ 1,432,245	100.0%
Fuel Inventory Purchases	1,600,000	1,302,275 (J)	81.4%	1,601,604	1,158,523	100.0%
Total Parts & Fuel Inventory Purchases	\$ 2,789,621	\$ 2,631,320	94.3%	2,825,163	\$ 2,590,768	100.0%

- (A) Rental income revenues are lower due to a less than anticipated amount of pool usage. There are two pool usage vehicles that are used only when needed.
- (B) Charges for services include vehicle replacement charges to various departments which are higher due to higher priced vehicle acquisitions.
- (C) Vacancies included two (2) Senior Mechanic positions which became vacant in December 2010.
- (D) Budget of \$7,000 for computer software program was not spent as of June 30, 2011.
- (E) There were no insurance claims over \$50,000 for the year.
- (F) Out-of-town travel, membership and local meetings are expended on as needed basis.
- (G) Interest earnings from investments were lower than budget due to lower interest rate and lower cash balance.
- (H) Fewer vehicles than anticipated were purchased this fiscal year.
- (I) Parts and inventory purchases are higher than budget due to higher costs of vehicle parts.
- (J) Fuel deliveries in FY 2010-11 have decreased due to the switch to compressed natural gas (cng) for the newer heavy-duty vehicles.

FLEET SERVICES FUND - COMBINED
STATEMENT OF CASH FLOWS
FOR TWELVE MONTHS ENDED, JUNE 30, 2011

Cash flows from operating activities

Operating income	\$63,444
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation and amortization	1,901,711
Decrease (Increase) in accounts receivable	56,511
Decrease (increase) in inventory	(100,374)
(Decrease) Increase in accounts payable	(78,962)
	<u> </u>

Net cash provided by operating activities \$1,927,593

Cash flows from capital and related financing activities

Capital expenditures	(1,150,057)
Proceeds from sale of fixed assets	52,582
	<u> </u>

Net cash used by capital and related financing activities (1,097,475)

Cash flows from noncapital financing activities

Operating transfers in	670,813
Operating transfers out	(28,578)
	<u> </u>

Net cash provided by noncapital financing activities 642,235

Cash flows from investing activities

Interest on investments	172,424
	<u> </u>

Net cash provided by investing activities 172,424

Net change in cash 1,644,777

Cash, and cash equivalents, July 1, 2010 12,245,991

Cash and cash equivalents, June 30, 2011 \$13,890,768

Schedule D-3

FLEET - OPERATIONS AND MAINTENANCE

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL FOR TWELVE MONTHS ENDED, JUNE 30, 2011 - 100% EXPIRED

	FY 2011 Annual Budget	Year-To-Date Actual Without Enc.	Budget % Without Enc.	FY 2010 Annual Budget	FY 2010 Year-To-Date Actual Without Enc.	FY 2010 Actual to Actual % Without Enc.
OPERATING REVENUES						
Rental Income	\$ 7,020	\$ 2,560 (A)	36.5%	\$ 7,020	\$ 1,885	100.0%
Charges for services	2,718,800	2,806,784 (B)	103.2%	2,718,800	2,897,490	100.0%
Total Operating Revenues	2,725,820	2,809,344	103.1%	2,725,820	2,899,375	100.0%
OPERATING EXPENSES:						
Salaries and employee benefits	3,095,127	3,040,892 (C)	98.2%	3,134,732	3,077,323	100.0%
Materials and supplies	415,488	393,247	94.6%	459,766	459,219	100.0%
Depreciation	-	-	N/A	883	883	100.0%
Professional Services	69,516	54,202 (D)	78.0%	47,792	47,790	100.0%
Interdepartmental charges	113,520	113,520	100.0%	116,628	116,628	100.0%
Liability and claims	23,943	7,555 (E)	31.6%	23,943	13,228	100.0%
Other	20,300	5,961 (F)	29.4%	15,100	15,100	100.0%
Total Operating Expenses	3,737,894	3,615,377	96.7%	3,798,844	3,730,171	100.0%
OPERATING INCOME (LOSS)	(1,012,074)	(806,033)	79.6%	(1,073,024)	(830,796)	100.0%
OPERATING TRANSFERS IN	567,726	567,726	100.0%	567,726	567,726	100.0%
OPERATING TRANSFERS OUT	(28,578)	(28,578)	100.0%	(17,449)	(17,449)	100.0%
NET INCOME (LOSS) AFTER TRANSFERS	\$ (472,926)	\$ (266,885)	56.4%	\$ (522,747)	\$ (280,519)	100.0%
FUEL AND PARTS INVENTORY						
Parts Inventory Purchases	\$ 1,189,621	\$ 1,329,045 (G)	111.7%	\$ 1,223,559	\$ 1,432,245	100.0%
Fuel Inventory Purchases	1,600,000	1,302,275 (H)	81.4%	1,601,604	1,158,523	100.0%
Total Parts & Fuel Inventory Purchases	\$ 2,789,621	\$ 2,631,320	94.3%	\$ 2,825,163	\$ 2,590,768	100.0%

(A) Rental income revenues are lower due to a less than anticipated amount of pool usage. There are two pool usage vehicles that are used only when needed.

(B) Charges for services are higher than budget due to labor charges for unanticipated vehicle repairs.

(C) Vacancies included two (2) Senior Mechanic positions which became vacant in December 2010.

(D) Budget of \$7,000 for computer software program was not spent as of June 30, 2011.

(E) There were no insurance claims over \$50,000 for the year.

(F) Out-of-town travel, membership and local meetings are expended on as needed basis.

(G) Parts and inventory purchases are higher than budget due to higher costs of vehicle parts.

(H) Fuel deliveries in FY 2010-11 have decreased due to the switch to compressed natural gas (cng) for the newer heavy-duty vehicles.

FLEET - OPERATIONS AND MAINTENANCE***STATEMENT OF CASH FLOWS
FOR TWELVE MONTHS ENDED, JUNE 30, 2011******Cash flows from operating activities***

Operating loss	(806,033)
Adjustments to reconcile operating loss to net cash used by operating activities	
Decrease (increase) in accounts receivable	(10,219)
Decrease (increase) in inventory	(100,374)
(Decrease) increase in accounts payable	82,063
(Decrease) increase in accrued liabilities	22,270
	<hr/>

Net cash used by operating activities (812,293)

Cash flows from noncapital financing activities

Operating transfers in	567,726
Operating transfers out	(28,578)
	<hr/>

Net cash provided by noncapital financing activities

 539,148

Net change in cash (273,145)

Cash, and cash equivalents, July 1, 2010

 (312,888)

Cash and cash equivalents, June 30, 2011

 (\$586,033)

Schedule D-5

FLEET - VEHICLE REPLACEMENT FUND

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL FOR TWELVE MONTHS ENDED, JUNE 30, 2011 - 100% EXPIRED

	FY 2011 Annual Budget	Year-To-Date Actual Without Enc.	Budget % Without Enc.	FY 2010 Annual Budget	2010 Year-To-Date Actual Without Enc.	2010 Actual to Actual % Without Enc.
OPERATING REVENUES						
Charges for services	\$ 2,404,528	\$ 2,771,188 (A)	115.2%	\$ 2,404,528	\$ 1,632,443	100.0%
Total Operating Revenues	2,404,528	2,771,188	115.2%	2,404,528	1,632,443	100.0%
OPERATING EXPENSES:						
Depreciation	2,200,000	1,901,711 (B)	86.4%	2,174,618	2,088,862	100.0%
Total Operating Expenses	2,200,000	1,901,711	86.4%	2,174,618	2,088,862	100.0%
OPERATING INCOME (LOSS)	204,528	869,477	425.1%	229,910	(456,419)	100.0%
NON-OPERATING REVENUES (LOSS)						
Interest income - Operations	450,000	172,424 (C)	38.3%	450,000	397,840	100.0%
Gain from sale of fixed assets	80,464	52,582	65.3%	80,464	123,805	100.0%
(Loss) from sale of fixed assets	-	-	N/A	(21,984)	(21,984)	100.0%
Miscellaneous Revenues	-	-	N/A	-	-	N/A
Total Non-Operating Revenues (Loss)	530,464	225,006	42.4%	508,480	499,661	100.0%
Income (Loss) before transfers	734,992	1,094,483	148.9%	738,390	43,242	100.0%
OPERATING TRANSFERS IN	103,087	103,087	100.0%	990,709	990,709	100.0%
OPERATING TRANSFERS OUT	-	-	N/A	-	(178,879)	N/A
NET INCOME (LOSS) BEFORE VEHICLE ACQUISITIONS	838,079	1,197,570	142.9%	1,729,099	855,072	100.0%
VEHICLE ACQUISITIONS	(1,494,969)	(1,128,275) (D)	75.5%	(6,007,282)	(3,931,322)	100.0%
ADD: DEPRECIATION	2,200,000	1,901,711	86.4%	2,174,618	2,088,862	100.0%
CHANGE IN CASH AVAILABLE AFTER VEHICLE ACQUISITIONS AND ADDITION OF DEPRECIATION	\$ 1,543,110	\$ 1,971,006	127.7%	\$ (2,103,565)	\$ (987,388)	100.0%

- (A) Charges for services represent vehicle replacement charges to various departments which are higher due to higher priced vehicle ;
- (B) Fewer vehicles were purchased than anticipated resulting in a lower depreciation expense.
- (C) Interest earnings from investments were lower than budget due to lower interest rate and lower cash balance.
- (D) Fewer vehicles than anticipated were purchased this fiscal year.

FLEET - VEHICLE REPLACEMENT FUND
STATEMENT OF CASH FLOWS
FOR TWELVE MONTHS ENDED, JUNE 30, 2011

<i>Cash flows from operating activities</i>		
Operating income	\$869,477	
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization	1,901,711	
Decrease (increase) in interest receivable	62,993	
Decrease (increase) in accounts receivable	66,730	
(Decrease) increase in accounts payable	<u>(161,025)</u>	
<i>Net cash provided by operating activities</i>		\$2,739,886
 <i>Cash flows from capital and related financing activities</i>		
Capital expenditures	(1,150,057)	
Proceeds from sale of fixed assets	<u>52,582</u>	
<i>Net cash used by capital and related financing activities</i>		(1,097,475)
 <i>Cash flows from noncapital financing activities</i>		
Operating transfers in	<u>103,087</u>	
<i>Net cash provided by noncapital financing activities</i>		103,087
 <i>Cash flows from investing activities</i>		
Interest on investments	<u>172,424</u>	
<i>Net cash provided by investing activities</i>		<u>172,424</u>
<i>Net change in cash</i>		1,917,922
Cash, and cash equivalents, July 1, 2010		<u>12,414,068</u>
Cash and cash equivalents, June 30, 2011		<u><u>\$14,331,990</u></u>

FLEET - SHOP EQUIPMENT REPLACEMENT FUND

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED, JUNE 30, 2011 - 100% EXPIRED

	FY 2011 Annual Budget	Year-To-Date Actual Without Enc.	Budget % Without Enc.	FY 2010 Annual Budget	2010 Year-To-Date Actual Without Enc.	2010 Actual to Actual % Without Enc.
OPERATING REVENUES						
Charges for services	\$ -	\$ -	N/A	-	\$ -	N/A
Total Operating Revenues	-	-	N/A	-	-	N/A
OPERATING EXPENSES:						
Depreciation	-	-	N/A	2,515	2,515	100.0%
Total Operating Expenses	-	-	N/A	2,515	2,515	100.0%
OPERATING INCOME (LOSS)	-	-	N/A	(2,515)	(2,515)	100.0%
NET INCOME (LOSS) BEFORE SHOP EQUIPMENET ACQUISITIONS	-	-	N/A	(2,515)	(2,515)	100.0%
SHOP EQUIPMENT ACQUISITIONS	-	-	N/A	-	-	N/A
ADD: DEPRECIATION	-	-	N/A	2,515	2,515	100.0%
CHANGE IN CASH AVAILABLE AFTER VEHICLE ACQUISITIONS AND ADDITION OF DEPRECIATION	\$ -	\$ -	N/A	\$ -	\$ -	N/A

FLEET - SHOP EQUIPMENT REPLACEMENT FUND**STATEMENT OF CASH FLOWS
FOR TWELVE MONTHS ENDED, JUNE 30, 2011****Cash flows from operating activities**

Operating income	\$	-
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization		-
Decrease in accounts receivable		-
(Decrease) in accounts payable		-
		<hr/>
Net cash provided by operating activities	\$	-

Cash flows from capital and related financing activities

Capital project cash transfer	-
Capital expenditures	-
	<hr/>
Net cash used by capital and related financing activities	-

Cash flows from noncapital financing activities

Operating transfers in	-
Operating transfers out	-
	<hr/>
Net cash provided by noncapital financing activities	-

Cash flows from investing activities

Interest on investments	-
(Increase) in interest receivable	-
	<hr/>
Net cash provided by investing activities	-

Net change in cash

	<hr/>
Cash, and cash equivalents, July 1, 2010	144,811
	<hr/>
Cash and cash equivalents, June 30, 2011	<u><u>\$ 144,811</u></u>

SELF-INSURANCE FUND**BALANCE SHEET**
JUNE 30, 2011

	<u>June 30, 2011</u>
ASSETS	
Pooled Cash and Investments	\$ 8,609,771
Restricted cash	5,954
Receivables-Miscellaneous	1,367
Total Assets	\$ 8,617,092
 LIABILITIES AND FUND EQUITY	
Liabilities	
Accounts Payable	\$ 338,308
Accrued-Workers Compensation Claims-Long Term	21,601,994
Accrued-Liability Claims-Long Term	4,801,753
Total Liabilities	26,742,055
 Fund Equity (Deficit)	
Retained Earnings (Deficit)	(18,124,963)
Total Fund Equity (Deficit)	(18,124,963)
Total Liabilities and Fund Equity (Deficit)	\$ 8,617,092

SELF-INSURANCE FUND

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED JUNE 30, 2011-100.0% EXPIRED

	<i>FY 2011 Annual Budget</i>	<i>FY 2011 Year-End Actual Without Enc.</i>	<i>FY 2011 Budget % Without Enc.</i>	<i>FY 2010 Annual Budget</i>	<i>FY 2010 Year-End Actual Without Enc.</i>
OPERATING REVENUES					
Charges for services	\$ 2,392,777	\$2,560,671	107.0%	\$2,402,688	\$2,492,518
Total Operating Revenues	<u>2,392,777</u>	<u>2,560,671</u>	<u>107.0%</u>	<u>2,402,688</u>	<u>2,492,518</u>
OPERATING EXPENSES:					
Salaries and employee benefits	742,000	704,921	95.0%	791,100	795,260
Services and supplies	20,995	13,692	65.2%	22,378	21,592
Other professional services	167,463	112,048	66.9%	182,419	123,883
Insurance and claims	4,160,026	5,631,078 (A)	135.4%	5,985,385	5,598,919
Interdepartmental charges	18,189	18,189	100.0%	19,533	19,533
Other	6,800	3,371	49.6%	6,800	4,521
Total Operating Expenses	<u>5,115,473</u>	<u>6,483,299</u>	<u>126.7%</u>	<u>7,007,615</u>	<u>6,563,708</u>
OPERATING INCOME (LOSS)	<u>(2,722,696)</u>	<u>(3,922,628)</u>	<u>144.1%</u>	<u>(4,604,927)</u>	<u>(4,071,190)</u>
OPERATING TRANSFERS IN	<u>1,163,500</u>	<u>1,163,500</u>	<u>100.0%</u>	<u>3,805,000</u>	<u>2,488,269</u>
OPERATING TRANSFERS (OUT)	<u>(5,325)</u>	<u>(5,325)</u>	<u>100.0%</u>	<u>(5,966)</u>	<u>(5,966)</u>
NET INCOME (LOSS)	<u>\$ (1,564,521)</u>	<u>\$ (2,764,453)</u>	<u>176.7%</u>	<u>\$ (805,893)</u>	<u>\$ (1,588,887)</u>

(A) A year end adjustment of approximately \$1.5M was made per the June 30, 2011 workers compensation and liability actuarial report.

AIRPORT FUND**BALANCE SHEET
JUNE 30, 2011**

	<u>JUNE 30, 2011</u>
ASSETS	
Pooled Cash and Investments	\$ 5,040,737
Accounts Receivable	253,882
Interest Receivable	19,052
<i>Total Current Assets</i>	5,313,671
Property, Plant and Equipment, net	7,395,086
Total Assets	\$ 12,708,757
LIABILITIES AND FUND EQUITY	
Current Liabilities	
Accounts Payable	\$ 135,685
Deferred Liabilities	130,983
Accrued Liabilities	111,113
<i>Total Current Liabilities</i>	377,781
Total Liabilities	377,781
Fund Equity	
Retained Earnings- Reserved	220,526 (A)
Retained Earnings- Unreserved	12,110,450
Total Fund Equity	12,330,976
Total Liabilities and Fund Equity	\$ 12,708,757

(A) Represents amount used to balance 2010-11 budget

Schedule F-1

AIRPORT FUND - COMBINED
STATEMENT OF REVENUE AND EXPENSES - BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED, JUNE 30, 2011 - 100% EXPIRED

	Annual Budget	Year-to-Date Actual Without Enc.	Budget % Without Enc.	FY 2010 Annual Budget	FY 2010 Year-to-Date Actual Without Enc.	FY 2010 Actual to Actual % Without Enc.
OPERATING REVENUES						
Leased land area rentals	\$ 8,597,000	\$ 8,290,601 (A)	96.4%	8,707,000	\$ 7,950,103	100.0%
Hangar and building rentals	2,410,000	2,420,218	100.4%	2,410,000	2,296,054	100.0%
Airfield fees and charges	199,000	166,917 (B)	83.9%	202,000	164,919	100.0%
Other	14,000	18,130	129.5%	13,000	17,248	100.0%
Total Operating Revenues	11,220,000	10,895,866	97.1%	11,332,000	10,428,324	100.0%
OPERATING EXPENSES						
Salaries and employee benefits	1,712,083	1,583,428 (C)	92.5%	1,739,466	1,664,428	100.0%
Materials and supplies	381,997	315,606 (D)	82.6%	361,170	299,454	100.0%
Other professional services	410,345	344,538 (E)	84.0%	623,245	413,637	100.0%
Depreciation and amortization	310,000	270,217 (F)	87.2%	320,000	303,334	100.0%
Insurance and Claims	28,169	21,274 (G)	75.5%	28,169	22,548	100.0%
Inter- Departmental charges	767,251	749,052	97.6%	765,624	745,545	100.0%
Payment to City in lieu of taxes	300,000	300,000	100.0%	250,000	250,000	100.0%
Leased Land Rental	1,600,000	1,600,000	100.0%	1,600,000	1,600,000	100.0%
Bad Debt Expense	10,000	7,526 (H)	75.3%	20,000	16,828	100.0%
Other	26,007	8,775 (I)	33.7%	34,950	8,812	100.0%
Total Operating Expenses	5,545,852	5,200,416	93.8%	5,742,624	5,324,586	100.0%
OPERATING INCOME (LOSS)	5,674,148	5,695,450	100.4%	5,589,376	5,103,738	100.0%
NON-OPERATING REVENUES						
Interest income - Operations	200,000	65,737 (J)	32.9%	300,000	174,228	100.0%
Total Non-Operating Revenues	200,000	65,737	32.9%	300,000	174,228	100.0%
NON-OPERATING EXPENSES						
Interest expense	125,550	125,550	100.0%	147,418	147,418	100.0%
Income (Loss) Before Transfers	5,748,598	5,635,637	98.0%	5,741,958	5,130,548	100.0%
TRANSFERS IN	-	841	N/A	-	-	N/A
TRANSFERS OUT	(5,969,124)	(5,966,490)	100.0%	(6,166,402)	(6,166,402)	100.0%
FROM FUND BALANCE	220,526	330,012	149.6%	424,444	1,035,854	100.0%
NET INCOME (LOSS)	\$ -	\$ -	-	\$ -	\$ -	-

- (A) Two of the non-aeronautical revenue categories are substantially lower than budget. The percentage rent for the shopping centers is 10.0% lower than budget or \$120,687. The minimum basic rent for the auto dealers is 4.0% below budget or \$128,156.
- (B) Tiedown fees are 86%, a \$23,604 shortfall due to less traffic activity at the Airport this fiscal year.
- (C) Salary for aeronautical was lower this year than last year due to transfer of Public Works employees from Airport to Public Works.
- (D) Aeronautical materials, supplies and services budget are under spent at year-end.
- (E) Airport non-aeronautical budget for professional, legal and special services has an unspent budget of \$33,712.
- (F) Depreciation is lower than budget and is under spent due to less capital purchases.
- (G) There have been no claims for liability insurance below \$50,000.
- (H) The aeronautical budget for bad debts has an unspent budget of \$2,474.
- (I) The aeronautical budget for membership dues, out-of-town travel, and education/training schools has an unspent budget of \$2,990. The non aeronautical local meetings budget of \$15,000 is 34% spent.
- (J) Actual interest earnings are lower than budget due to decreasing cash balance and lower interest rate.

AIRPORT - AERONAUTICAL
STATEMENT OF REVENUE AND EXPENSES - BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED, JUNE 30, 2011 - 100% EXPIRED

	Annual Budget	Year-to-Date Actual Without Enc.	Budget % Without Enc.	FY 2010 Annual Budget	FY 2010 Year-to-Date Actual Without Enc.	FY 2010 Actual to Actual % Without Enc.
OPERATING REVENUES						
Leased land area rentals	\$ 1,413,000	\$ 1,368,716	96.9%	1,408,000	\$ 1,394,861	100.0%
Hangar and building rentals	2,410,000	2,420,218	100.4%	2,410,000	2,296,054	100.0%
Airfield fees and charges	199,000	166,917 (A)	83.9%	202,000	164,919	100.0%
Other Revenues	14,000	18,130	129.5%	13,000	17,248	100.0%
Total Operating Revenues	4,036,000	3,973,981	98.5%	4,033,000	3,873,082	100.0%
OPERATING EXPENSES						
Salaries and employee benefits	1,467,720	1,350,870 (B)	92.0%	1,495,960	1,421,532	100.0%
Materials and supplies	381,997	315,606 (C)	82.6%	361,170	299,454	100.0%
Other Professional services	301,333	269,238 (C)	89.3%	514,233	338,337	100.0%
Depreciation and amortization	310,000	270,217 (D)	87.2%	320,000	303,334	100.0%
Insurance and claims	28,169	21,274 (E)	75.5%	28,169	22,548	100.0%
Inter-Departmental charges	767,251	749,052	97.6%	765,624	745,545	100.0%
Payment to City in lieu of taxes	300,000	300,000	100.0%	250,000	250,000	100.0%
Bad Debt Expense	10,000	7,526 (F)	75.3%	20,000	16,828	100.0%
Other	4,400	1,410 (G)	32.0%	10,500	1,522	100.0%
Total Operating Expenses	3,570,870	3,285,193	92.0%	3,765,656	3,399,100	100.0%
OPERATING INCOME (LOSS)	465,130	688,788	148.1%	267,344	473,982	100.0%
NON-OPERATING EXPENSES						
Interest expense	125,550	125,550	100.0%	147,418	147,418	100.0%
Total Non-Operating Expenses	125,550	125,550	100.0%	147,418	147,418	100.0%
Income (Loss) Before Transfers	339,580	563,238	165.9%	119,926	326,564	100.0%
TRANSFERS IN	-	841	N/A	-	-	N/A
TRANSFERS OUT	(14,918)	(12,284)	82.3%	(215,039)	(215,039)	100.0%
NET INCOME (LOSS)	324,662	551,795	170.0%	\$ (95,113)	\$ 111,525	100.0%

(A) Tiedown fees are 86%, a \$23,604 shortfall due to less traffic activity at the Airport this fiscal year.

(B) Salary for aeronautical was lower this year than last year due to transfer of Public Works employees from Airport to Public Works.

(C) Aeronautical materials, supplies and professional services budget are under spent at year-end.

(D) Depreciation is lower than budget and is under spent due to less capital purchases.

(E) There have been no claims for liability insurance below \$50,000.

(F) The aeronautical budget for bad debts has an unspent budget of \$2,474.

(G) The aeronautical budget for membership dues, out-of-town travel, and education/training schools has an unspent budget of \$2,990

Schedule F-3

AIRPORT - NON-AERONAUTICAL
STATEMENT OF REVENUE AND EXPENSES - BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED, JUNE 30, 2011 - 100% EXPIRED

	Annual Budget	Year-to-Date Actual Without Enc.	Budget % Without Enc.	FY 2010 Annual Budget	FY 2010 Year-to-Date Actual Without Enc.	FY 2010 Actual to Actual % Without Enc.
OPERATING REVENUES						
Leased land area rentals	\$ 7,184,000	\$ 6,921,885 (A)	96.4%	7,299,000	\$ 6,555,242	100.0%
Total Operating Revenues	7,184,000	6,921,885	96.4%	7,299,000	6,555,242	100.0%
OPERATING EXPENSES						
Salaries and employee benefits	244,363	232,558	95.2%	243,506	242,896	100.0%
Other Professional services	109,012	75,300 (B)	69.1%	109,012	75,300	100.0%
Leased Land Rental	1,600,000	1,600,000	100.0%	1,600,000	1,600,000	100.0%
Other	21,607	7,365 (C)	34.1%	24,450	7,290	100.0%
Total Operating Expenses	1,974,982	1,915,223	97.0%	1,976,968	1,925,486	100.0%
OPERATING INCOME (LOSS)	5,209,018	5,006,662	96.1%	5,322,032	4,629,756	100.0%
NON-OPERATING REVENUES						
Interest income - Operations	200,000	65,737 (D)	32.9%	300,000	174,228	100.0%
Total Non-Operating Revenues	200,000	65,737	32.9%	300,000	174,228	100.0%
Income (Loss) Before Transfers	5,409,018	5,072,399	93.8%	5,622,032	4,803,984	100.0%
TRANSFERS OUT	(5,954,206)	(5,954,206)	100.0%	(5,951,363)	(5,951,363)	100.0%
FROM FUND BALANCE	545,188	881,807	161.7%	329,331	1,147,379	100.0%
NET INCOME (LOSS)	\$ -	\$ -	0.00%	\$ -	\$ -	-

- (A) Two of the non-aeronautical revenue categories are substantially lower than budget. The percentage rent for the shopping centers is 10.0% lower than budget or \$120,687. The minimum basic rent for the auto dealers is 4.0% below budget or \$128,156.
- (B) Airport non-aeronautical budget for professional, legal and special services has an unspent budget of \$33,712.
- (C) The non aeronautical local meetings budget of \$15,000 is 34% spent.
- (D) Actual interest earnings are lower than budget due to decreasing cash balance and lower interest rate.

AIRPORT FUND

Schedule F-4

**STATEMENT OF CASH FLOWS
FOR TWELVE MONTHS ENDED, JUNE 30, 2011****Cash flows from operating activities**

Operating income	\$ 5,695,450	
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization	270,217	
Decrease in accounts receivable	15,030	
Decrease in accrued interest receivable	27,430	
Increase in accounts payable	34,198	
(Decrease) in deferred liabilities	(100,312)	
Increase in accrued liabilities	9,344	
Net cash provided by operating activities		\$ 5,951,357

Cash flows from capital and related financing activities

Capital expenditures- Capital Project	(300,985)	
Interest expense	(125,550)	
Net cash used by capital and related financing		(426,535)

Cash flows from noncapital financing activities

Operating transfer in	841	
Operating transfer out	(5,966,490)	
Net cash used by noncapital financing activities		(5,965,649)

Cash flows from investing activities

Interest on investments	65,737	
Net change in cash		(375,090)

Cash and cash equivalents, July 1, 20105,415,827**Cash and cash equivalents, June 30, 2011**\$ 5,040,737

TRANSIT FUND**BALANCE SHEET
JUNE 30, 2011**

	<u>June 30, 2011</u>
ASSETS	
Pooled Cash and Investments	\$5,554,550
Accounts Receivable	77,528
Accrued interest receivable	22,227
Inventory	1,096,388
Due from other Governments	2,349,347
<i>Total Current Assets</i>	<u>9,100,040</u>
 Property, Plant and Equipment, net	 11,964,676
Total Assets	<u>\$21,064,716</u>
 LIABILITIES AND FUND EQUITY	
Current Liabilities	
Accounts Payable	\$459,981
Accrued Liabilities	224,799
Accrued Vacation and Sick Leave	1,092,042
<i>Total Current Liabilities</i>	<u>1,776,822</u>
 Deferred Liability	 3,108,971
Total Liabilities	<u>4,885,793</u>
 Fund Equity	
Retained Earnings - Unreserved	16,178,923
Total Fund Equity	<u>16,178,923</u>
Total Liabilities and Fund Equity	<u>\$21,064,716</u>

TRANSIT FUND
STATEMENT OF REVENUES AND EXPENSES - BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED JUNE 30, 2011 - 100.0% EXPIRED

Schedule G-1

	FY 2011 Annual Budget	FY 2011 Year-End Actual Without Enc.	FY 2011 Budget % Without Enc.	FY 2010 Annual Budget	FY 2010 Year-End Actual Without Enc.
OPERATING REVENUES					
Passenger cash fares	\$ 3,465,700	\$ 3,192,487	92.1%	3,655,700	3,102,218
Advertising	141,000	149,514	106.0%	200,000	132,260
Miscellaneous	35,830	68,851 (A)	192.2%	3,730	19,660
Total Operating Revenues	3,642,530	3,410,852	93.6%	3,859,430	3,254,138
NON-OPERATING REVENUES					
SB-325 allocation	3,761,275	3,761,275	100.0%	4,362,898	3,994,955
5% Security	164,902	159,448	96.7%	221,179	200,761
Proposition A Discretionary	3,361,973	3,361,973	100.0%	3,215,662	3,215,662
Prop 1B-Bridge	-	652,520 (B)	N/A	-	-
Prop C-Interest	-	-	N/A	528,473	524,273
Prop. C Disc. - Svc Exp	267,757	267,757	100.0%	250,885	250,885
Prop. C Disc. - Shortfall & Zone M	121,245	121,245	100.0%	113,247	113,352
Prop. C - Base Restructuring	631,959	631,959	100.0%	616,846	616,846
Prop. C - BSIP Overcrowding	209,753	209,753	100.0%	204,737	204,737
Measure R	1,758,220	1,758,220	100.0%	1,058,617	1,404,700
Prop. A - Torrance Dial-a-Taxi	180,000	180,000	100.0%	180,000	180,000
Prop. A - Local Return	1,829,702	1,836,688	100.4%	2,211,945	1,715,237
Prop. A - Exchange	1,250,000	1,250,000	100.0%	1,398,509	1,398,509
Prop A-Interest	-	-	N/A	297,159	297,161
Transit STAF	1,009,408	1,009,408	100.0%	-	-
From Other cities-Dial A Taxi	65,000	53,055	81.6%	6,000	38,776
Municipal Operators Service Program	554,708	554,708	100.0%	538,946	215,377
Capital Maintenance Revenues	2,250,000	2,250,000	100.0%	2,250,000	2,250,000
Interest	90,000	74,053	82.3%	100,000	72,791
Total Non-Operating Revenues	17,505,902	18,132,062	103.6%	17,505,902	16,694,022
Total Revenues / Resources	21,148,432	21,542,914	101.9%	21,365,332	19,948,160
OPERATING EXPENSES					
Salaries and employee benefits	12,981,916	12,032,672 (C)	92.7%	13,489,241	12,343,189
Services and supplies	2,736,992	2,695,379	98.5%	2,638,992	2,517,217
Other professional services	2,030,194	1,886,941	92.9%	2,060,590	1,921,048
Depreciation and amortization	2,513,000	2,358,235	93.8%	2,148,000	2,001,812
Insurance and Claims	365,252	365,241	100.0%	441,252	403,792
Interdepartmental charges	2,781,188	2,505,270	90.1%	2,778,920	2,550,659
Other	77,000	54,846	71.2%	77,000	64,892
Total Expenses	23,485,542	21,898,584	93.2%	23,633,995	21,802,609
Income (Loss) before transfers	(2,337,110)	(355,670)	15.2%	(2,268,663)	(1,854,449)
OPERATING TRANSFERS IN - Prop C	104,000	104,000	100.0%	-	-
OPERATING TRANSFERS OUT	(42,731)	(42,203)	98.8%	(2,446,249)	(2,445,903)
Income (Loss) after Operating Transfers	(2,275,841)	(293,873)	12.9%	(4,714,912)	(4,300,352)
ADD: DEPRECIATION FROM FUND BALANCE	2,513,000	2,358,235	93.8%	2,148,000	2,001,812
	-	-	N/A	2,566,912	2,298,540
NET INCOME (LOSS) BEFORE CAPITAL ACQUISITIONS	\$ 237,159	\$ 2,064,362	870.5%	\$ -	\$ -
ADD: Contributed Capital Received	-	276,869	N/A	-	7,045,410
LESS: Capital Acquisitions	-	(334,530)	N/A	-	(6,506,462)
PARTS AND FUEL INVENTORY PURCHASES					
Parts Inventory Purchases	460,000	569,299	123.8%	405,724	602,129
Fuel Inventory Purchases	1,825,724	1,679,198	92.0%	1,800,000	1,250,878
Lubricants Inventory Purchases	49,000	44,838	91.5%	49,000	50,438
Total Parts & Fuel Inventory Purchases	2,334,724	2,293,335	98.2%	2,254,724	1,903,445

A) Includes \$38,222 of insurance recoveries

B) Prop 1B Bridge deferred in 07-08 and 08-09 and funds received on June 27, 2011.

C) Actual salaries are lower than budget to the following vacancies: 2 Transit supervisors, 1 Transit operations manager, 1 Storekeeper, 2 Senior mechanics, 11 Bus operators, 5 Part time Relief bus operators, 1 Equipment attendant and 1 administrative analyst.

TRANSIT FUND
STATEMENT OF CASH FLOWS
FOR TWELVE MONTHS ENDED JUNE 30, 2011

Cash flows from operating activities

Operating loss	(355,670)
Adjustments to reconcile operating loss to net cash provided by operating activities	
Depreciation and amortization	2,358,235
(Increase) decrease in receivables-advances	214
(Increase) decrease in interest receivable	(10,677)
(Increase) decrease in misc receivables	(77,528)
(Increase) decrease in inventory	(114,111)
(Increase) decrease in due from governments	1,485,338
(Increase) decrease in other prepayments	11,300
Increase (decrease) in accounts payable	(651,180)
Increase (decrease) in accrued liabilities	193,122
Increase (decrease) in accrued vacation	(16,198)
Increase (decrease) in sick leave	3,740
Increase (decrease) in deferred liability	1,557,821

Net cash provided by operating activities 4,384,406

Cash flows from capital and related financing activities

Capital expenditures	(334,530)
Contributed capital received	276,869

Net cash used by capital and related financing (57,661)

Cash flows from noncapital financing activities

Operating transfers in (out)	61,797
------------------------------	--------

Net cash provided by noncapital financing activities 61,797

Net change in cash 4,388,542

Cash, restricted cash and cash equivalents, July 1, 2010 1,166,008

Cash, restricted cash and cash equivalents, June 30, 2011 \$5,554,550

MUNICIPAL AREA EXPRESS (MAX)
STATEMENT OF REVENUES & EXPENDITURES - BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED JUNE 30, 2011-100.0% EXPIRED

	<i>FY 2011 Annual Budget</i>	<i>FY 2011 Year-End Actual Without Enc.</i>	<i>FY 2011 Budget % Without Enc.</i>	<i>FY 2010 Annual Budget</i>	<i>FY 2010 Year-End Actual Without Enc.</i>	<i>FY 2010 % Actual to Actual</i>
Revenues:						
Passenger cash fares	\$ 198,021	\$ 159,024	80.3%	\$ 100,000	\$ 157,995	158.0%
Contributions from other cities	654,587	674,678	103.1%	672,812	633,411	94.1%
Intergovernmental	437,748	437,748	100.0%	437,748	437,748	100.0%
Total revenues	1,290,356	1,271,450	98.5%	1,210,560	1,229,154	101.5%
Expenditures:						
Current:						
Salaries & Benefits	16,200	15,315	94.5%	16,200	16,200	100.0%
Materials & Supplies	4,500	2,130	47.3%	4,500	2,781	61.8%
Professional & contract services	1,266,568	1,251,087	98.8%	1,227,709	1,207,106	98.3%
City Charges	3,088	2,918	94.5%	3,067	3,067	100.0%
Total expenditures	1,290,356	1,271,450	98.5%	1,251,476	1,229,154	98.2%
From Fund Balance	—	—	N/A	40,916	—	N/A
Excess (deficiency) of revenues over expenditures	\$ —	\$ —	N/A	\$ —	\$ —	N/A

WATER FUND**BALANCE SHEET**

June 30, 2011

	<u>June 30, 2011</u>
ASSETS	
Pooled Cash and Investments	\$ 4,640,749
Accounts Receivable	5,603,932
Accrued Interest Receivable	16,797
Other Prepayments	95
Inventories	475,725
<i>Total Current Assets</i>	<u>10,737,298</u>
Restricted cash and investments	
Pooled cash and investments	539,763
<i>Total Restricted Cash</i>	<u>539,763</u>
Utility plant in service, net	66,736,448
Advances to other funds	1,154,432
Total Assets	\$ 79,167,941
LIABILITIES AND FUND EQUITY	
Current Liabilities	
Accounts Payable	\$ 3,916,683
Accrued Liabilities	347,455
Retainage Payable	52,483
Deposits	14,570
Revenue bonds due within one year	540,000
Interest on Revenue Bonds due within one year	26,767
<i>Total Current Liabilities</i>	<u>4,897,958</u>
Noncurrent Portion of revenue bonds outstanding	1,190,000
Total Liabilities	<u>6,087,958</u>
Fund Equity	
Retained Earnings - Reserved	356,463 (A)
Retained Earnings - Unreserved	72,723,520
Total Fund Equity	<u>73,079,983</u>
Total Liabilities and Fund Equity	\$ 79,167,941

(A) Amount used to balance 2010-11 budget.

Schedule H-1

WATER FUND OPERATIONS

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED JUNE 30, 2011 - 100% EXPIRED

	Annual Budget(A)	Year-To-Date Actual Without Enc.	Budget % Without Enc.	FY 2010 Annual Budget	FY 2010 Year-To-Date Actual Without Enc.	FY 2010 Actual to Actual % Without Enc.
OPERATING REVENUES						
Water Sales	\$ 28,550,000	\$ 29,037,032	101.7%	\$ 27,658,000	\$ 25,729,432	100.0%
Other	1,527,155	1,157,360 (B)	75.8%	1,348,000	1,532,165	100.0%
Total Operating Revenues	30,077,155	30,194,392	100.4%	29,006,000	27,261,597	100.0%
OPERATING EXPENSES:						
Salaries and employee benefits	4,959,870	4,551,034 (C)	91.8%	5,072,111	4,426,486	100.0%
Services and supplies	1,577,348	1,512,186	95.9%	1,273,405	1,350,589	100.0%
Other professional services	942,093	718,648 (D)	76.3%	603,022	500,503	100.0%
Depreciation and amortization	1,200,000	1,355,004 (E)	112.9%	1,200,000	1,359,519	100.0%
Insurance and claims	92,109	58,558 (F)	63.6%	92,109	88,216	100.0%
In Lieu franchise payments	718,000	718,000	100.0%	718,000	718,000	100.0%
Interdepartmental charges	1,307,105	1,186,272 (G)	90.8%	1,354,099	1,354,084	100.0%
Cost of water	19,424,354	18,671,108	96.1%	18,061,976	16,989,402	100.0%
Others	94,798	84,713 (H)	89.4%	76,575	61,852	100.0%
Total Operating Expenses	30,315,677	28,855,523	95.2%	28,451,297	26,848,651	100.0%
OPERATING INCOME (LOSS)	(238,522)	1,338,869	661.3%	554,703	412,946	100.0%
NON-OPERATING REVENUES						
Interest income - Operations	250,000	100,880 (I)	40.4%	300,000	196,329	100.0%
Total Non-Operating Revenues	250,000	100,880	40.4%	300,000	196,329	100.0%
NON-OPERATING EXPENSES						
Interest expense	109,050	100,244 (J)	91.9%	135,135	129,066	100.0%
Total Non-Operating Expenses	109,050	100,244	91.9%	135,135	129,066	100.0%
Income (Loss) before transfers	(97,572)	1,339,505	1472.8%	719,568	480,209	100.0%
TRANSFERS OUT	(258,891)	(247,529)	95.6%	(733,124)	(732,396)	100.0%
FROM FUND BALANCE	356,463	-	0.0%	13,556	252,187	100.0%
NET INCOME (LOSS)	\$ -	\$ 1,091,976	N/A	\$ -	\$ -	N/A

(A) Annual Budget includes prior year encumbrances budget of \$141,684.

(B) The reimbursement revenues received from WRD for Goldsworthy desalter program are low due to low expenses incurred for the desalter program.

(C) Actual salaries are low due to the following vacancies: 1 Engineering Manager, 2 Water Service Technician III and 1 Water Service Technician I.

(D) Professional Services are utilized as needed.

(E) There was an increase of infrastructure expense for \$3,474,897 from completed capital projects on June 30, 2010. The budget will be adjusted for fiscal year 2012-13.

(F) There were no claims for Insurance Claims Under \$50,000 as of June 30, 2011.

(G) Budget for Indirect Cost is high. The budget is adjusted for fiscal year 2012.

(H) Only 47% of \$25,000 budgeted for education/training and 67% of \$30,000 budgeted for bad debts have been used as of June 30, 2011.

(I) Interest income was low due to lower cash balance and lower interest rate. The budget is adjusted for fiscal year 2011-12.

(J) The budget for bond interest expense was high. It is adjusted for fiscal year 2011-12.

WATER FUND
STATEMENT OF CASH FLOWS
FOR TWELVE MONTHS ENDED JUNE 30, 2011

Cash flows from operating activities

Operating income (loss)	\$ 1,338,869	
Adjustments to reconcile operating income (loss) to net cash used by operating activities		
Depreciation and amortization	1,355,004	
(Increase) Decrease in accounts receivable	(1,269,885)	
(Increase) Decrease in prepaid	1,457	
(Increase) Decrease in inventory	(58,196)	
Increase (Decrease) in accounts payable	165,865	
Increase (Decrease) in deposits	(2,940)	
Increase (Decrease) in Retention	27,958	
Increase (Decrease) in Accrued Liabilities	(50,882)	
Increase (Decrease) in Interest on Revenue Bonds due within one year	(8,583)	
Net cash provided by operating activities	<u>\$ 1,524,864</u>	

Cash flows from capital and related financing activities

Capital expenditures	(963,997)	
Principle payment on revenue bonds	(515,000)	
Interest and related costs paid on revenue bonds	(100,244)	
Net cash used by capital and related financing		(1,579,241)

Cash flows from noncapital financing activities

Operating transfers out	(30,398)	
Net cash used by noncapital financing activities		(30,398)

Cash flows from investing activities

Interest on investments	100,880	
Net cash provided by investing activities		100,880

Net change in cash 16,105

Cash, restricted cash and cash equivalents, July 1, 2010 5,164,407

Cash, restricted cash and cash equivalents, June 30, 2011 \$ 5,180,512 (A)

(A) Includes cash held by trustee and project cash.

EMERGENCY MEDICAL SERVICES FUND**BALANCE SHEET**

June 30, 2011

	<u>June 30, 2011</u>
ASSETS	
Current Assets	
Accounts Receivable	\$ 263,055
Total Current Assets	<u>263,055</u>
Property, Plant and Equipment, net	59,896
Total Assets	<u>\$ 322,951</u>
LIABILITIES AND FUND EQUITY	
Current Liabilities	
Accounts Payable	\$ 10,343
Accrued Liabilities	47
Due to Other Funds	214,262
Total Liabilities	<u>224,652</u>
Fund Equity	
Retained Earnings - Reserved	1,500 (A)
Retained Earnings	96,799
Total Fund Equity	<u>98,299</u>
Total Liabilities and Fund Equity	<u>\$ 322,951</u>

(A) Amount used to balance 2010-11 budget.

Schedule I-1

EMERGENCY MEDICAL SERVICES FUND

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL FOR TWELVE MONTHS ENDED, JUNE 30, 2011 - 100% EXPIRED

	Annual Budget	Year-To-Date Actual Without Enc.	Budget % Without Enc.	FY 2010 Annual Budget	FY 2010 Year-To-Date Actual Without Enc.	FY 2010 Actual to Actual % Without Enc.
OPERATING REVENUES						
PM ALS Resp and Transport Fees	\$ 800,000	\$ 926,325 (A)	115.8%	800,000	\$ 1,001,362	100.0%
PM ALS Assess/Transport w/o Paramedi	583,000	660,540 (A)	113.3%	583,000	515,997	100.0%
Medical Resupply Fee	160,000	166,750 (A)	104.2%	160,000	164,082	100.0%
Paramedic Medical Facility Fee	120,000	132,290 (A)	110.2%	120,000	102,050	100.0%
Other	10,385	10,385	100.0%	-	-	N/A
Total Operating Revenues	1,673,385	1,896,290	113.3%	1,663,000	1,783,491	100.0%
OPERATING EXPENSES:						
Salaries and employee benefits	9,366,907	9,330,955	99.6%	9,822,764	9,191,525	100.0%
Services and supplies	321,882	286,082	88.9%	331,599	289,241	100.0%
Other professional services	22,938	21,292	92.8%	1,000	612	100.0%
Depreciation and amortization	10,000	12,235 (B)	122.4%	10,000	12,235	100.0%
Capital Outlay	(32,700)	21,108 (C)	-164.6%	0	8,420	100.0%
Others	12,500	11,473	91.8%	15,000	11,601	100.0%
Total Operating Expenses	9,701,527	9,683,145	99.8%	10,180,363	9,513,634	100.0%
OPERATING INCOME (LOSS)	(8,028,142)	(7,786,855)	97.0%	(8,517,363)	(7,730,143)	100.0%
Income (Loss) before transfers	(8,028,142)	(7,786,855)	97.0%	(8,517,363)	(7,730,143)	100.0%
OPERATING TRANSFERS IN	8,609,642	8,369,855	97.2%	8,507,746	7,679,979	100.0%
OPERATING TRANSFERS OUT	(583,000)	(583,000)	100.0%	-	-	N/A
FROM FUND BALANCE	1,500	-	0.0%	9,617	50,164	100.0%
NET INCOME (LOSS)	\$ -	\$ -	N/A	\$ -	\$ -	N/A

(A) Total revenues were over budget in the prior fiscal year however the budget for the current fiscal year was kept at the same levels. Small index based fee increases also contributed to the revenues being over budget.

(B) Capital asset purchases in the previous year were higher than expected and the current year budget for depreciation was not increased.

(C) Equipment purchases reimbursement budget was not reduced at year-end. FY2011-12 has been adjusted.

SANITATION ENTERPRISE FUND***BALANCE SHEET******June 30, 2011******June 30, 2011******ASSETS******Current Assets***

Pooled Cash and Investments	\$	891,935
Accounts Receivable		1,751,334
Due From Other Governments		39,330
Total Current Assets		2,682,599

Utility plant in service, net		19,674
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Total Assets	\$	2,702,273
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LIABILITIES AND FUND EQUITY***Current Liabilities***

Accounts Payable	\$	449,162
Accrued Liabilities		623,302

Total Liabilities		1,072,464
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Fund Equity

Retained Earnings - Reserved	1,355,050	(A)
Retained Earnings - Unreserved	274,759	

Total Fund Equity		1,629,809
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Total Liabilities and Fund Equity	\$	2,702,273
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(A) Amount used to balance 2010-11 budget.

SANITATION ENTERPRISE FUND

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED JUNE 30, 2011 - 100% EXPIRED

	Annual Budget (A)	Year-To-Date Actual Without Enc.	Budget % Without Enc.	FY 2010 Annual Budget	FY 2010 Year-To-Date Actual Without Enc.	FY 2010 Actual to Actual % Without Enc.
OPERATING REVENUES						
Refuse fee revenue	\$ 7,412,620	\$ 7,372,204	99.5%	\$ 7,512,620	\$ 7,324,036	100.0%
Sewer fee revenue	1,302,000	1,287,167	98.9%	1,302,000	1,170,684	100.0%
Recycling fee revenue	1,490,000	1,492,198	100.1%	1,450,000	1,614,667	100.0%
AB 939 fee revenue	795,000	714,008 (B)	89.8%	795,000	751,327	100.0%
Total Operating Revenues	10,999,620	10,865,577	98.8%	11,059,620	10,860,714	100.0%
OPERATING EXPENSES:						
Salaries and employee benefits	4,693,561	4,670,393	99.5%	4,726,188	4,552,459	100.0%
Services and supplies	3,550,681	3,511,915	98.9%	3,134,310	3,276,881	100.0%
Depreciation and amortization	25,180	23,236 (C)	92.3%	25,180	25,102	100.0%
Other professional services	2,591,894	2,458,794 (D)	94.9%	2,428,013	2,319,452	100.0%
Insurance and claims	222,374	91,503 (E)	41.1%	222,374	106,831	100.0%
Interdepartmental charges	958,464	938,784	97.9%	1,007,557	1,002,689	100.0%
Others	56,020	38,970 (F)	69.6%	29,520	20,986	100.0%
Total Operating Expenses	12,098,174	11,733,595	97.0%	11,573,142	11,304,400	100.0%
OPERATING INCOME (LOSS)	(1,098,554)	(868,018)	79.0%	(513,522)	(443,686)	100.0%
NON-OPERATING REV (EXP)						
Interest income (expense)	90,000	26,408 (G)	29.3%	120,000	71,842	100.0%
Total Non-Operating Revenues (Expense)	90,000	26,408	29.3%	120,000	71,842	100.0%
Income (Loss) before transfers	(1,008,554)	(841,610)	83.4%	(393,522)	(371,844)	100.0%
TRANSFERS IN	75,000	75,000	100.0%	75,000	75,000	100.0%
TRANSFERS OUT	(421,496)	(402,048)	95.4%	(977,559)	(977,559)	100.0%
FROM FUND BALANCE	1,355,050	1,168,658	86.2%	1,296,081	1,274,403	100.0%
NET INCOME (LOSS)	\$ -	\$ -	N/A	\$ -	\$ -	N/A

(A) Annual budget includes prior year encumbrances budget of \$150,758.

(B) The budget is adjusted for fiscal year 2011-12 to be more in line with actual revenue received.

(C) Approximately 38% of the equipments were fully depreciated. The budget will be adjusted for fiscal year 2012-13.

(D) Special contracts are utilized on an as needed basis.

(E) Liability under \$50,000 claims has not been spent as of June 30, 2011; The annual Pollution Liability Insurance premium dropped by 44% fiscal year. The budget is adjusted for fiscal year 2011-12.

(F) Only 77% of \$43,250 budgeted for bad debts has been used as of June 30, 2011.

(G) Interest income was low due to lower cash balance and lower interest rate. The budget is adjusted for fiscal year 2011-12.

SANITATION ENTERPRISE FUND**STATEMENT OF CASH FLOWS
FOR TWELVE MONTHS ENDED JUNE 30, 2011****Cash flows from operating activities**

Operating income (loss)	\$	(868,018)	
Adjustments to reconcile operating income (loss) to net cash used by operating activities			
Depreciation and amortization		23,236	
(Increase) Decrease in accounts receivable		(293,671)	
(Increase) Decrease in Due From Other Governments		(24,678)	
(Increase) Decrease in other prepayments		251	
Increase (Decrease) in accounts payable		112,204	
Net cash used by operating activities			\$ (991,501)

Cash flows from capital and related financing activities

Capital Grants		92,974	
Capital expenditures		(96,696)	
Net cash used by capital and related financing			(3,722)

Cash flows from noncapital financing activities

Operating transfers in		75,000	
Operating transfers out		(50,825)	
Net cash provided by noncapital financing activities			24,175

Cash flows from investing activities

Interest income (expense)		26,408	
Net cash provided by investing activities			26,408

Net change in cash (944,640)

Cash, restricted cash and cash equivalents, July 1, 2010 1,836,575

Cash, restricted cash and cash equivalents, June 30, 2011 \$ 891,935 (A)

(A) Includes project cash

CULTURAL ARTS CENTER ENTERPRISE FUND**BALANCE SHEET
JUNE 30, 2011**

	<u>JUNE 30, 2011</u>
ASSETS	
Pooled Cash and Investments	\$ 298,157
Accounts Receivable	29,707
Total Current Assets	\$ 327,864
Machinery and Equipment, net	520,972
Total Assets	\$ 848,836
LIABILITIES AND FUND EQUITY	
Current Liabilities	
Accounts Payable	\$ 222,682
Accrued liabilities	83,853
Total Liabilities	\$ 306,535
Fund Equity	
Reserved Retained Earnings	\$ 50,000 (A)
Unreserved Retained Earnings	492,301
Total Fund Equity	\$ 542,301
Total Liabilities and Fund Equity	\$ 848,836

(A) Represents amount on reserve for equipment replacement at the Center.

Schedule K-1

CULTURAL ARTS CENTER ENTERPRISE FUND STATEMENT OF REVENUES AND EXPENSES - BUDGET TO ACTUAL FOR TWELVE MONTHS ENDED, JUNE 30, 2011 - 100% EXPIRED

	Annual Budget	Year-To-Date Actual Without Enc.	Budget % Without Enc.	FY 2010 Annual Budget	FY 2010 Year-To-Date Actual Without Enc.	FY 2010 Actual to Actual % Without Enc.
OPERATING REVENUES						
Charges for rental	\$ 715,090	\$ 603,376 (A)	84.4%	\$ 796,690	\$ 727,759	100.0%
Charges for services	404,400	391,575 (A)	96.8%	\$ 462,400	\$ 359,695	100.0%
Total Operating Revenues	1,119,490	994,951	88.9%	1,259,090	1,087,454	100.0%
OPERATING EXPENSES:						
Salaries and employee benefits	1,549,664	1,506,095	97.2%	1,562,921	1,574,993	100.0%
Materials and supplies	125,358	74,083 (B)	59.1%	125,358	91,646	100.0%
Other professional services	343,729	263,525 (C)	76.7%	343,729	286,496	100.0%
Depreciation and amortization	29,000	18,633 (D)	64.3%	29,000	21,543	100.0%
Interdepartmental charges	107,674	107,674	100.0%	111,123	111,123	100.0%
Other	12,400	695 (E)	5.6%	12,400	596	100.0%
Total Operating Expenses	2,167,825	1,970,705	90.9%	2,184,531	2,086,397	100.0%
OPERATING INCOME (LOSS)	(1,048,335)	(975,754)	93.1%	(925,441)	(998,943)	100.0%
NON-OPERATING REVENUES						
Other - Grants	73,200	73,200	100.0%	73,200	73,200	100.0%
TCA Foundation - Grants	36,240	36,240	100.0%	36,240	34,496	100.0%
Total Non-Operating Revenues	109,440	109,440	100.0%	109,440	107,696	100.0%
Income (Loss) before transfers	(938,895)	(866,314)	92.3%	(816,001)	(891,247)	100.0%
TRANSFERS IN	780,075	774,798	99.3%	829,899	829,899	100.0%
TRANSFERS OUT	(171,760)	(165,885)	96.6%	(68,276)	(68,276)	100.0%
FROM FUND BALANCE FOR CAPITAL EXPENSE	50,000	50,000 (F)	100.0%	-	-	-
OVER (UNDER) SUBSIDY	(280,580)	(207,401)	73.9%	\$ (54,378)	\$ (129,624)	100.0%

- (A) Meeting and classroom rental revenues are below budget due to cancellations and a decrease in events being scheduled.
Theater labor revenues are lower than budget due to reduced staffing requirements in the Center than anticipated,
- (B) Materials and supplies and other expenses are spent on as needed basis.
- (C) Budget for computer software and hardware for \$13,500 remain unspent.
- (D) Budget for depreciation is underspent at year-end.
- (E) The budget in this category is a discretionary cost and is expended by the department as the need arises.
- (F) Represents Program Modification for CAC facility repairs and equipment project as approved by City Council on December 21, 2010.
Funding came from CAC fund balance.

CULTURAL ARTS CENTER ENTERPRISE FUND
BUDGET TO ACTUAL BY PROGRAMS
FOR TWELVE MONTHS ENDED, JUNE 30, 2011 - 100% EXPIRED

	Meeting Rooms					Classrooms					Theaters					Non-Departmental				
	Annual Budget 10/11	YTD Actual 06/30/2011	% of Budget To Actual	FY 2010 Year-To-Date Actual	Annual Budget 10/11	YTD Actual 06/30/2011	% of Budget To Actual	FY 2010 Year-To-Date Actual	Annual Budget 10/11	YTD Actual 06/30/2011	% of Budget To Actual	FY 2010 Year-To-Date Actual	Annual Budget 10/11	YTD Actual 06/30/2011	% of Budget To Actual	FY 2010 Year-To-Date Actual	Annual Budget 10/11	YTD Actual 06/30/2011	% of Budget To Actual	
Rental	\$ 263,000	\$ 205,216	78.0% (A)	\$ 247,370	\$ 286,090	\$ 233,905	81.8% (A)	\$ 255,873	\$ 166,000	\$ 164,255	98.9%	\$ 224,516	\$ 715,090	\$ 603,376	84.4%	\$ 727,759	\$ 715,090	\$ 603,376	84.4%	
Labor	120,000	121,446	101.2%	118,725	-	-	NA	-	284,400	270,129	95.0% (A)	240,970	404,400	391,575	96.8%	359,695	404,400	391,575	96.8%	
Grant-Gen. Fund	73,200	73,200	100.0%	73,200	-	-	NA	-	36,240	36,240	100.0%	34,496	109,440	109,440	100.0%	107,696	109,440	109,440	100.0%	
Total Revenues	456,200	399,862	87.7%	439,295	286,090	233,905	81.8%	255,873	486,640	470,624	96.7%	499,982	1,228,930	1,104,391	89.9%	1,195,150	1,228,930	1,104,391	89.9%	
Less: Expenses																				
Salaries and benefits	432,350	417,095	96.5%	407,483	362,207	347,469	95.9%	344,043	755,107	741,531	98.2%	823,467	1,549,664	1,506,095	97.2%	1,574,993	1,549,664	1,506,095	97.2%	
Materials and Supplies	42,687	37,770	88.5% (B)	36,766	25,522	5,452	21.4% (B)	3,902	57,149	30,861	54.0% (B)	50,978	125,358	74,083	59.1%	91,646	125,358	74,083	59.1%	
Other professional services	116,841	96,261	82.4% (C)	100,698	78,100	54,916	70.3% (C)	54,789	148,788	112,348	75.5% (C)	131,009	343,729	263,525	76.7%	286,496	343,729	263,525	76.7%	
Depreciation and amortization	17,000	11,347	66.7% (D)	11,347	-	-	NA	-	12,000	7,286	60.7% (D)	10,196	29,000	18,633	64.3%	21,543	29,000	18,633	64.3%	
Interdepartmental charges	36,316	36,316	100.0%	37,482	35,423	35,423	100.0%	36,545	35,935	35,935	100.0%	37,096	107,674	107,674	100.0%	111,123	107,674	107,674	100.0%	
Other	5,300	407	7.7% (E)	596	5,200	-	0.0% (E)	-	1,900	288	15.2% (E)	37,096	12,400	695	5.6%	596	12,400	695	5.6%	
Total expenses	650,494	599,196	92.1%	594,372	506,452	443,260	87.5%	439,279	1,010,879	928,249	91.8%	1,052,746	2,167,825	1,970,705	90.9%	2,086,397	2,167,825	1,970,705	90.9%	
Income (loss) from operations	(194,294)	(199,334)	102.6%	(155,077)	(220,362)	(209,355)	95.0%	(183,406)	(524,239)	(457,625)	87.3%	(552,764)	(938,895)	(866,314)	92.3%	(891,247)	(938,895)	(866,314)	92.3%	
Transfers In	130,865	130,865	100.0%	182,183	217,849	212,572	97.6%	201,686	431,361	431,361	100.0%	446,030	780,075	774,798	99.3%	829,899	780,075	774,798	99.3%	
Transfers Out	(76,707)	(70,832)	92.3%	(59,144)	(3,217)	(3,217)	100.0%	(4,502)	(41,836)	(41,836)	100.0%	(4,630)	(171,760)	(165,885)	96.6%	(68,276)	(171,760)	(165,885)	96.6%	
From Fund Balance for Capital Expense			NA				NA				NA									
Over (under) subsidy	(140,136)	(139,301)	99.4%	(32,038)	(5,730)	-	0.0%	13,778	(134,714)	(68,100)	50.6%	(111,364)	(280,580)	(207,401)	73.9%	(129,624)	(280,580)	(207,401)	73.9%	

(A) Meeting and classroom rental revenues are below budget due to cancellations and a decrease in events being scheduled.

Theater labor revenues are lower than budget due to reduced staffing requirements in the Center than anticipated.

(B) Materials and supplies and other expenses are spent on as needed basis.

(C) Budget for computer software and hardware for \$13,500 remain unspent.

(D) Budget for depreciation is underspent at year-end

(E) The budget in this category is a discretionary cost and is expended by the department as the need arises.

(F) Represents Program Modification for CAC facility repairs and equipment project as approved by City Council on December 21, 2010.

Funding came from CAC fund balance.

CULTURAL ARTS CENTER ENTERPRISE FUND**STATEMENT OF CASH FLOWS
FOR TWELVE MONTHS ENDED, JUNE 30, 2011****Cash flows from operating activities**

Operating loss	(\$975,754)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation and amortization	18,633
Decrease in accounts receivable	6,892
Increase in accounts payable	34,213
(Decrease) in accrued liabilities	<u>(12,670)</u>

Net cash used by operating activities (\$928,686)

Cash flows from capital and related financing activities

Capital Expenditures	<u>71,154</u>	
Net cash provided by capital and related financing activities		71,154

Cash flows from noncapital financing activities

Operating transfers in	774,798
Operating transfers out	(165,885)
Grants received	<u>109,440</u>

Net cash provided by noncapital financing activities 718,353

Net change in cash (139,179)

Cash and cash equivalents, July 1, 2010 437,336

Cash and cash equivalents, June 30, 2011 \$298,157

SEWER ENTERPRISE FUND**BALANCE SHEET**

June 30, 2011

		<u>June 30, 2011</u>
ASSETS		
Pooled Cash and Investments	\$	10,633,098
Accounts Receivable		245,752
Accrued Interest Receivable		41,236
Total Current Assets		<div style="border: 1px solid black; display: inline-block; padding: 2px;">10,920,086</div>
Property, Plant and Equipment, net		43,416,952
Advances to other funds		419,028
Total Assets	\$	<div style="border: 1px solid black; display: inline-block; padding: 2px;">54,756,066</div>
LIABILITIES AND FUND EQUITY		
Current Liabilities		
Accounts Payable		29,213
Total Liabilities		<div style="border: 1px solid black; display: inline-block; padding: 2px;">29,213</div>
Fund Equity		
Contributed Capital		2,786,254
Retained Earnings - Reserved		559,600 (A)
Retained Earnings - Unreserved		51,380,999
Total Fund Equity		<div style="border: 1px solid black; display: inline-block; padding: 2px;">54,726,853</div>
Total Liabilities and Fund Equity	\$	<div style="border: 1px solid black; display: inline-block; padding: 2px;">54,756,066</div>

(A) Amount used to balance 2010-11 budget.

SEWER ENTERPRISE FUND OPERATIONS
STATEMENT OF REVENUES AND EXPENSES - BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED JUNE 30, 2011 - 100% EXPIRED

	Annual Budget (A)	Year-to-Date Actual Without Enc.	Budget % Without Enc.	FY 2010 Annual Budget	FY 2010 Year-to-Date Actual Without Enc.	FY 2010 Actual to Actual % Without Enc.
OPERATING REVENUES						
Sewer charges	\$ 1,702,500	\$ 1,573,204 (B)	92.4%	\$ 1,427,500	\$ 1,713,152	100.0%
Other	10,000	7,722	77.2%	32,000	8,573	100.0%
Total Operating Revenues	1,712,500	1,580,926	92.3%	1,459,500	1,721,725	100.0%
OPERATING EXPENSES						
Salaries and employee benefits	942,012	877,365 (C)	93.1%	877,903	865,050	100.0%
Services and supplies	65,133	52,648 (D)	80.8%	19,721	25,943	100.0%
Other professional services	118,370	112,306 (E)	94.9%	75,539	73,027	100.0%
Depreciation	1,005,000	977,870	97.3%	1,005,000	968,641	100.0%
Interdepartmental charges	217,228	221,440 (F)	101.9%	257,623	257,567	100.0%
Other	9,514	2,209 (G)	23.2%	14,014	1,407	100.0%
Total Operating Expenses	2,357,257	2,243,838	95.2%	2,249,800	2,191,635	100.0%
OPERATING INCOME	(644,757)	(662,912)	102.8%	(790,300)	(469,910)	100.0%
NON-OPERATING REVENUES						
Interest income - Operations	400,000	147,305 (H)	36.8%	450,000	340,392	100.0%
Total Non-Operating Revenues	400,000	147,305	36.8%	450,000	340,392	100.0%
Income before transfers	(244,757)	(515,607)	210.7%	(340,300)	(129,518)	100.0%
TRANSFERS IN	-	-	N/A	-	-	N/A
TRANSFERS OUT	(314,843)	(275,622) (I)	87.5%	(383,600)	(383,600)	100.0%
FROM FUND BALANCE	559,600	559,600	100.0%	723,900	513,118	100.0%
NET INCOME (LOSS)	\$ -	\$ (231,629)	N/A	\$ -	\$ -	N/A

(A) Annual budget includes prior year encumbrances budget of \$8,500.

(B) The budget is adjusted for fiscal year 2011-12 to be more in line with actual revenue received.

(C) Actual salaries are low due to the vacancy of 1 Associate Engineer and less overtime worked.

(D) Only 77% of \$15,000 for vehicle repairs budget has been used as of June 30, 2011.

(E) Professional Services contracts are utilized on an as needed basis.

(F) \$13,000 of budget was transferred to professional service to cover Global Water's implementation fee.

(G) Only 20% of \$ 5,514 budgeted for education and training and 24% of \$3,000 budgeted for bad debts have been used as of June 30, 2011.

(H) Interest income was low due to lower cash balance and lower interest rate. The budget is adjusted for fiscal year 2011-12.

(I) Annual budget includes an appropriation of \$224,843 to project I 102 Stormwater Basin Enhancement Program per council item 12D approved by Council on March 1, 2011. The actual transfer out includes a return of \$39,221 from the completed project FEAP572.

PARKS AND RECREATION ENTERPRISE FUND**BALANCE SHEET
JUNE 30, 2011**

	<u>June 30, 2011</u>
ASSETS	
Current Assets	
Pooled Cash and Investments	(\$494,909)
Accounts Receivable	66,836
Due from Other Governments	125,026
Total Current Assets	<u>(303,047)</u>
Fixed Assets	17,747
Total Assets	\$ (285,300)
LIABILITIES AND FUND EQUITY	
Current Liabilities	
Accounts Payable	\$ 110,840
Accrued Liabilities	20,213
Deferred Liabilities	723,005
Total Liabilities	<u>854,058</u>
Fund Equity (Deficit)	
Retained Earnings (Deficit)	(1,139,358)
Total Fund Equity (Deficit)	<u>(1,139,358)</u>
Total Liabilities and Fund Equity (Deficit)	\$ (285,300)

PARKS AND RECREATION ENTERPRISE FUND-COMBINED**STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED JUNE 30, 2011-100.0% EXPIRED**

	FY2011 Annual Budget	FY2011 Year-End Actual Without Enc.	FY2011 Budget % Without Enc.	FY2010 Annual Budget	FY2010 Year-End Actual Without Enc.
OPERATING REVENUES					
Charges for services	\$ 4,795,383	\$ 4,147,059	86.5%	4,507,306	\$ 4,053,096
Other	10,394	10,250	98.6%	5,000	5,000
Total Operating Revenues	4,805,777	4,157,309	86.5%	4,512,306	4,058,096
OPERATING EXPENSES:					
Salaries and employee benefits	5,114,997	5,146,478 (A)	100.6%	5,066,057	5,100,536
Services and supplies	1,205,590	1,048,556	87.0%	1,131,649	1,072,770
Other professional services	1,176,075	975,082	82.9%	1,285,868	1,126,433
Insurance and claims	18,421	9,516	51.7%	18,421	9,396
Interdepartmental charges	727,001	727,001	100.0%	760,518	760,518
Depreciation	-	1,498	0.0%	2,000	3,720
Other	19,920	16,236	81.5%	19,020	10,454
Total Operating Expenses	8,262,004	7,924,367	95.9%	8,283,533	8,083,827
OPERATING INCOME (LOSS)	(3,456,227)	(3,767,058)	109.0%	(3,771,227)	(4,025,731)
OPERATING TRANSFERS IN	3,290,008	3,290,008	100.0%	3,795,568	3,795,568
OPERATING TRANSFERS OUT	(52,809)	(51,686)	97.9%	(67,595)	(67,595)
OVER (UNDER) SUBSIDY	\$ (219,028)	\$ (528,736)	241.4%	\$ (43,254)	\$ (297,758)

(A) Recreation Services salaries exceeded annual budget due to the following:
Overtime exceeded budget by \$23,578; compensatory leave exceeded by \$31,308 and
workers compensation up to 4 years exceeded by \$15,394. Overall, the Recreation
Services Division is within its expenses budget at year-end.

PARKS AND RECREATION - RECREATION SERVICES**STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED JUNE 30, 2011-100.0% EXPIRED**

	FY2011 Annual Budget	FY2011 Year-End Actual Without Enc.	FY2011 Budget % Without Enc.	FY2010 Annual Budget	FY2010 Year-End Actual Without Enc.
OPERATING REVENUES					
Charges for services	3,330,500	2,943,145	88.4%	3,091,430	\$ 2,794,819
Others	10,394	10,250	98.6%	5,000	5,000
Total Operating Revenues	3,340,894	2,953,395	88.4%	3,096,430	2,799,819
OPERATING EXPENSES:					
Salaries and employee benefits	4,035,797	4,083,253 (A)	101.2%	3,970,457	4,021,296
Services and supplies	808,208	663,233	82.1%	725,091	669,386
Other professional services	623,745	495,990	79.5%	659,638	524,767
Insurance and claims	18,421	9,516	51.7%	18,421	9,396
Interdepartmental charges	724,901	724,901	100.0%	760,518	760,518
Depreciation	-	1,498	0.0%	-	1,720
Other	14,020	12,028	85.8%	14,020	7,850
Total Operating Expenses	6,225,092	5,990,419	96.2%	6,148,145	5,994,933
OPERATING INCOME (LOSS)	(2,884,198)	(3,037,024)	105.3%	(3,051,715)	(3,195,114)
OPERATING TRANSFERS IN	2,579,816	2,579,816	100.0%	2,899,698	2,899,698
OPERATING TRANSFERS OUT	(48,309)	(47,186)	97.7%	(61,000)	(61,000)
OVER (UNDER) SUBSIDY	\$ (352,691)	\$ (504,394)	143.0%	\$ (213,017)	\$ (356,416)

(A) Salaries exceeded annual budget due to the following:

Overtime exceeded budget by \$23,578; compensatory leave exceeded by \$31,308 and workers compensation up to 4 years exceeded by \$15,394. Overall, the Recreation Services Division is within its expenses budget at year-end.

PARKS AND RECREATION - CULTURAL SERVICES
STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED JUNE 30, 2011-100.0% EXPIRED

	<i>FY 2011 Annual Budget</i>	<i>FY 2011 Year-End Actual Without Enc.</i>	<i>FY 2011 Budget % Without Enc.</i>	<i>FY2010 Annual Budget</i>	<i>FY2010 Year-End Actual Without Enc.</i>
OPERATING REVENUES					
Charges for services	1,464,883	1,203,914	82.2%	1,415,876	\$ 1,258,277
Total Operating Revenues	<u>1,464,883</u>	<u>1,203,914</u>	<u>82.2%</u>	<u>1,415,876</u>	<u>1,258,277</u>
OPERATING EXPENSES:					
Salaries and employee benefits	1,079,200	1,063,225	98.5%	1,095,600	1,079,240
Services and supplies	397,382	385,323	97.0%	406,558	403,384
Other professional services	552,330	479,092	86.7%	626,230	601,666
Interdepartmental Charges	2,100	2,100	100.0%	2,000	2,000
Other	5,900	4,208	71.3%	5,000	2,604
Total Operating Expenses	<u>2,036,912</u>	<u>1,933,948</u>	<u>94.9%</u>	<u>2,135,388</u>	<u>2,088,894</u>
OPERATING INCOME (LOSS)	<u>(572,029)</u>	<u>(730,034)</u>	<u>127.6%</u>	<u>(719,512)</u>	<u>(830,617)</u>
OPERATING TRANSFERS IN	710,192	710,192	100.0%	895,870	895,870
OPERATING TRANSFERS OUT	(4,500)	(4,500)	100.0%	(6,595)	(6,595)
OVER (UNDER) SUBSIDY	<u>\$ 133,663</u>	<u>\$ (24,342)</u>	<u>-118.2%</u>	<u>\$ 169,763</u>	<u>\$ 58,658</u>

PARKS AND RECREATION ENTERPRISE FUND**STATEMENT OF CASH FLOWS
FOR TWELVE MONTHS ENDED JUNE 30, 2011****Cash flows from operating activities**

Operating loss	\$ (3,767,058)	
Adjustments to reconcile operating loss to net cash used by operating activities		
Depreciation	1,498	
(Increase) Decrease in receivable-misc.	(64,800)	
(Increase) Decrease in due from other governments	97,989	
(Increase) Decrease in other prepayments	5,052	
Increase (Decrease) in accounts payable	(17,491)	
Increase (Decrease) in accrued liabilities	20,212	
Increase (Decrease) in deferred liabilities	141,959	
Net cash used by operating activities		\$ (3,582,639)

Cash flows from noncapital financing activities

Operating transfers in	3,290,008	
Operating transfers out	(51,686)	

Net cash provided by noncapital financing activities	3,238,322
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Net change in cash	(344,317)
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Cash and cash equivalents, July 1, 2010	(150,592)
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Cash and cash equivalents, June 30, 2011	\$ (494,909)
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CAPITAL IMPROVEMENTS FUND
BALANCE SHEET
FOR TWELVE MONTHS ENDED, JUNE 30, 2011

ASSETS

Pooled Cash and Investments	\$ 21,765,301 (a)
Accounts Receivables	25,000
Total Assets	\$ 21,790,301

LIABILITIES AND FUND EQUITY**Current Liabilities**

Accounts Payable	\$ 272,979
Retainage Payable	87,850
Total Liabilities	360,829

Fund Equity

Retained Earnings - Reserved	21,429,472
Total Fund Equity	21,429,472

Total Liabilities and Fund Equity	\$ 21,790,301
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(a) Includes funds from unrestricted Bond Fund 4800 in the amount of \$4,001,018

PROP C LOCAL RETURN/GRANTS AND DISCRETIONARY FUNDS**BALANCE SHEET***June 30, 2011***ASSETS**

Pooled Cash and Investments	\$	5,431,591
Interest Receivables		14,792
Total Assets	\$	5,446,383

LIABILITIES AND FUND EQUITY**Current Liabilities**

Accounts Payable	\$	155,216
Retention Payable		83,343
Total Liabilities		238,559

Fund Equity

Retained Earnings - Reserved		5,207,824
Total Fund Equity		5,207,824

Total Liabilities and Fund Equity	\$	5,446,383
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PROP C LOCAL RETURN/GRANTS AND DISCRETIONARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR TWELVE MONTHS ENDED JUNE 30, 2011 - 100% EXPIRED

	Actual
Revenues:	
Use of money and property	\$ 74,873
Intergovernmental	780,558
Charges for Services	1,673,900
Total revenues	2,529,331
Expenditures:	
Charges from Other Departments	747,196
Professional /Contract Services	1,709,116
Capital Outlay	-
Total expenditures	2,456,312
Excess (deficiency) of revenues over expenditures	73,019
Operating transfers in	-
Operating transfers out	(987,333)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (914,314)
Fund balance, July 1, 2010	6,122,138
Fund balance, June 30, 2011	\$ 5,207,824

TORRANCE PUBLIC FINANCING AUTHORITY RESTRICTED CAPITAL PROJECT FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR TWELVE MONTHS ENDED, JUNE 30, 2011 - 100% EXPIRED

	2004 A&B Certificates of Participation 43.13m Refunding Actual	2009A Certificates of Participation 18.8m Refunding Actual	Total
Revenues:			
Use of money and property	\$ 15,469	\$ -	\$ 15,469
Total revenues	15,469	-	15,469
Expenditures:			
Salaries & Benefits	1,984	-	1,984
Materials & Supplies	3,562	-	3,562
Professional Technical	97,796	-	97,796
Debt Service	-	-	-
Capital outlay	-	-	-
Total expenditures	103,342	-	103,342
Excess (deficiency) of revenues over expenditures	(87,873)	-	(87,873)
Other financing sources (uses):			
Operating transfers out	-	-	-
Operating transfers in	-	-	-
Proceeds from Bond	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(87,873)	-	(87,873)
Fund balance, July 1, 2010	1,941,344	-	1,941,344
Fund balance, June 30, 2011	\$ 1,853,471	\$ -	\$ 1,853,471

Note: This fund is managed by a multi-year project budget, and therefore a budget to actual comparison has not been presented.

DOWNTOWN REDEVELOPMENT CAPITAL PROJECT FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED JUNE 30, 2011-100.0% EXPIRED

	FY 2011			FY 2010	
	Annual Budget	Year-End Actual Without Enc.	Budget % Without Enc.	Annual Budget	Year-End Actual Without Enc.
Revenues:					
Use of money and property	\$ 37,326	\$ 16,966 (A)	45.5%	\$ 24,626	\$ 18,714
Total revenues	37,326	16,966	45.5%	24,626	18,714
Expenditures:					
Salaries & employee benefits	57,700	55,712	96.6%	9,500	7,590
Materials suppl & maintenance	63,138	49,786	78.9%	21,658	333
Prof services/contracts & utilities	228,663	96,743	42.3%	237,023	83,145
Travel, training & membership dues	56,019	10,888	19.4%	63,600	9,961
Interdepartmental charges	15,217	15,217	100.0%	15,617	15,617
Total expenditures	420,737	228,346	54.3%	347,398	116,646
Excess (deficiency) of revenues over expenditures	(383,411)	(211,380)	55.1%	(322,772)	(97,932)
Other financing sources (uses):					
Advances from the City	312,561	312,561	100.0%	334,097	120,881
Operating transfers in	52,080	52,080	100.0%	—	—
Operating transfers out	(22,638)	(22,638)	100.0%	(22,949)	(22,949)
Total other financing sources, net	342,003	342,003	100.0%	311,148	97,932
From Fund Balance	41,408	—	0.0%	11,624	—
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ —	\$ 130,623	N/A	\$ —	\$ —

(A) Certain tenants requested for rent relief in their leases as their businesses continue to suffer due to the economy.

LOW MODERATE INCOME HOUSING REDEVELOPMENT CAPITAL PROJECT FUND
 STATEMENT OF REVENUES AND EXPENDITURES - BUDGET TO ACTUAL
 FOR TWELVE MONTHS ENDED, JUNE 30, 2011-100.0% EXPIRED

	FY 2011			FY 2010	
	Annual Budget	Year-End Actual Without Enc.	FY 2011 Budget % Without Enc.	Annual Budget	FY 2010 Year-End Actual Without Enc.
Revenues:					
Use of money and property	\$ 180,000	\$ — (A)	0.0%	\$ 233,398	\$ 197,167
Others	103,800	73,874	71.2%	—	61,948
Total revenues	283,800	73,874	26.0%	233,398	259,115
Expenditures:					
Salaries & employee benefits	248,550	181,391	73.0%	247,550	230,903
Materials suppl & maintenance	156,981	130,550	83.2%	164,498	121,227
Prof services/contracts & utilities	170,054	9,415	5.5%	170,054	26,601
Travel, training & membership dues	1,100	—	0.0%	1,100	—
Interdepartmental charges	3,901	3,901	100.0%	4,009	4,009
Capital Acquisitions	—	—	0.0%	4,095,000	4,049,902
Total expenditures	580,586	325,257	56.0%	4,682,211	4,432,642
Excess (deficiency) of revenues over expenditures	(296,786)	(251,383)	84.7%	(4,448,813)	(4,173,527)
Other financing sources (uses):					
Operating transfers in	1,894,953	1,701,007	89.8%	1,505,345	1,673,293
Operating transfers out	(21,093)	(21,093)	100.0%	(18,800)	(18,800)
Total other financing sources, net	1,873,860	1,679,914	89.6%	1,486,545	1,654,493
From Fund Balance	—	—	0.0%	2,962,268	2,519,034
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ 1,577,074	\$ 1,428,531	90.6%	\$ —	\$ —

(A) Interest on LAIF was adjusted and reclassified to General Fund

Schedule S

SKYPARK REDEVELOPMENT DEBT SERVICE FUND STATEMENT OF REVENUES & EXPENDITURES - BUDGET TO ACTUAL FOR TWELVE MONTHS ENDED JUNE 30, 2011-100.0% EXPIRED

	FY 2011			FY 2010	
	Annual Budget	Year-End Actual Without Enc.	Budget % Without Enc.	Annual Budget	Year-End Actual Without Enc.
Revenues:					
Property taxes	\$ 671,805	\$ 620,313	92.3%	\$ 658,633	\$ 585,558
Use of money and property	9,200	—	0.0%	5,700	4,856
Total revenues	681,005	620,313	91.1%	664,333	590,414
Expenditures:					
Administration	10,240	11,950	116.7%	9,799	10,039
Bond and other loan principal	295,225	295,225	100.0%	272,953	272,953
Bond and other loan interest	56,919	56,919	100.0%	79,192	79,192
SERAF (Supplemental Educational Rev Aug Fd)	437,173	437,172	100.0%	2,083,409	2,083,409
Total expenditures	799,557	801,266	100.2%	2,445,353	2,445,593
Excess (deficiency) of revenues over expenditures	(118,552)	(180,953)	152.6%	(1,781,020)	(1,855,179)
Other financing sources (uses):					
Operating transfers out - Low-Mod Housing Fund	(133,946)	(124,063)	92.6%	(131,727)	(117,112)
Total other financing sources (uses)	(133,946)	(124,063)	92.6%	(131,727)	(117,112)
From Fund Balance	252,498	252,498	100.0%	1,912,747	1,912,747
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ —	\$ (52,518)	0.0%	\$ —	\$ (59,544)

DOWNTOWN REDEVELOPMENT DEBT SERVICE FUND
STATEMENT OF REVENUES & EXPENDITURES - BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED JUNE 30, 2011-100.0% EXPIRED

	<i>Annual Budget</i>	<i>FY 2011 Year-End Actual Without Enc.</i>	<i>FY 2011 Budget % Without Enc.</i>	<i>FY 2010 Annual Budget</i>	<i>FY 2010 Year-End Actual Without Enc.</i>
Revenues:					
Property taxes	\$ 1,969,062	\$ 1,902,370	96.6%	\$ 1,930,453	1,766,300
Use of money and property	72,713	20,790 (A)	28.6%	62,424	64,680
Total revenues	2,041,775	1,923,160	94.2%	1,992,877	1,830,980
Expenditures:					
Administration	30,600	33,819	110.5%	27,656	28,156
Bond and other loan principal	210,000	210,000	100.0%	200,000	200,000
Bond and other loan interest	3,814,653	2,127,847	55.8%	713,879	500,665
Other	1,123,101	1,087,629	96.8%	1,896,949	1,795,104
Total expenditures	5,178,354	3,459,295	66.8%	2,838,484	2,523,925
Excess (deficiency) of revenues over expenditures	(3,136,579)	(1,536,135)	49.0%	(845,607)	(692,945)
Other financing sources (uses):					
Operating transfers out - Low Mod Housing	(393,812)	(380,474)	96.6%	(386,091)	(353,260)
Operating transfers out - Downtown Capital	(52,080)	(52,080)	100.0%	—	—
Advances from county deferred share	1,538,909	1,575,169	102.4%	1,508,496	1,577,046
Total other financing sources (uses)	1,093,017	1,142,615	104.5%	1,122,405	1,223,786
From Fund Balance	2,043,562	393,520	19.3%	—	—
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ —	\$ —	N/A	\$ 276,798	\$ 530,841

(A) Cash balance is lower than last year due to payment of City advances

INDUSTRIAL REDEVELOPMENT DEBT SERVICE FUND
STATEMENT OF REVENUES & EXPENDITURES - BUDGET TO ACTUAL
FOR THE TWELVE MONTHS ENDED JUNE 30, 2011-100.0% EXPIRED

Schedule S-2

	FY2011			FY 2010	
	Annual Budget	Year-End Actual Without Enc.	FY2011 Budget % Without Enc.	Annual Budget	Year-End Actual Without Enc.
Revenues:					
Sales tax	\$ 1,560,000	1,662,056	106.5%	\$ 2,060,140	1,562,632
Property tax Flip	537,896	537,374	99.9%	664,866	601,850
Property taxes	6,833,898	5,982,355	87.5%	4,937,636	6,014,605
Use of money and property	113,228	65,034	57.4%	195,827	72,507
Total revenues	9,045,022	8,246,819	91.2%	7,858,469	8,251,594
Expenditures:					
Administration	105,000	125,970	120.0%	89,072	99,802
Bond and other loan principal	1,075,000	1,075,000	100.0%	990,000	990,000
Bond and other loan interest	1,365,109	1,365,108	100.0%	1,419,608	1,419,608
Other	2,391,864	1,836,885	76.8%	1,241,929	2,192,143
Total expenditures	4,936,973	4,402,963	89.2%	3,740,609	4,701,553
Excess (deficiency) of revenues over expenditures	4,108,049	3,843,856	93.6%	4,117,860	3,550,041
Other financing sources (uses):					
Operating transfers out - General Fund	(3,210,914)	(3,210,914)	100.0%	(3,130,333)	(3,130,333)
Operating transfers out - Low Mod Housing	(1,366,780)	(1,196,471)	87.5%	(987,527)	(1,202,921)
Total other financing sources (uses)	(4,577,694)	(4,407,385)	96.3%	(4,117,860)	(4,333,254)
From Fund Balance	469,645	469,645	100.0%	—	—
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ —	\$ (93,884)	N/A	\$ —	\$ (783,213)

HOUSING AUTHORITY OF THE CITY OF TORRANCE (HA)**BALANCE SHEET
JUNE 30, 2011**

	<u>JUNE 30, 2011</u>
ASSETS	
Pooled Cash and Investments	\$ 322,398
Due from Other governments	157,350
Prepayments	528,603
<i>Total Current Assets</i>	1,008,351
Total Assets	\$ 1,008,351
LIABILITIES AND FUND EQUITY	
Current Liabilities	
Accounts Payable	349
<i>Total Current Liabilities</i>	349
Total Liabilities	349
FUND EQUITY	
Administration Fund Balance	470,468
Housing Assistance Fund Balance	537,534
<i>Total Fund Equity</i>	1,008,002
Total Liabilities and Fund Equity	\$ 1,008,351

Schedule T-1

**HOUSING AUTHORITY OF THE CITY OF TORRANCE (HA) - COMBINED
STATEMENT OF REVENUE AND EXPENSES - BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED, JUNE 30, 2011 - 100% EXPIRED**

	Annual Budget	Year-to-Date Actual Without Enc.	Budget % Without Enc.	FY 2010 Annual Budget	FY 2010 Year-to-date Actual Without Enc.	FY 2010 Actual to Actual % Without Enc.
Revenues:						
Use of money and property	\$ 26,000	\$ 12,756 (A)	49.1%	\$ 45,000	\$ 22,542	100.0%
Section 8 Fraud Recovery	12,000	35,064 (B)	292.2%	6,000	13,294	100.0%
Section 8 Voucher Program - HAP	5,600,000	5,836,418 (C)	104.2%	5,100,000	5,502,432	100.0%
Section 8 Voucher Program - Admin fees	696,000	711,306	102.2%	655,000	717,300	100.0%
Section 8 Admin Fee Earned - Port In	-	31,674 (D)	NA	-	6,346	100.0%
Total revenues	6,334,000	6,627,218	104.6%	5,806,000	6,261,914	100.0%
Expenditures:						
Salaries & Benefits	528,100	492,111 (E)	93.2%	471,000	470,751	100.0%
Materials & Supplies	13,020	8,982 (F)	69.0%	8,020	7,952	100.0%
Housing Assistance Payments (HAP)	6,130,000	5,957,418 (G)	97.2%	6,030,000	5,949,714	100.0%
Professional/Technical Services	25,000	14,006 (F)	56.0%	25,000	22,344	100.0%
Inter-departmental Charges	96,100	93,797	97.6%	89,400	89,254	100.0%
Others	5,000	841 (F)	16.8%	5,000	988	100.0%
Capital outlay	8,300	1,703 (H)	20.5%	6,700	4,712	100.0%
Total expenditures	6,805,520	6,568,858	97.0%	6,635,120	6,545,715	100.0%
Operating Income (Loss)	(471,520)	58,360	112.4%	(829,120)	\$ (283,801)	100.0%
Fund balances, July 1, 2010	949,642	949,642	100.0%			
Fund balances - June 30, 2011	\$ 478,122	\$ 1,008,002	210.8%			

- (A) The budget for interest earnings was substantially decreased from \$45,000 to \$26,000. This was due to lower cash balance and interest rate.
- (B) The Housing Authority (HA) is collecting on several fraud cases. Revenues from fraud recovery are higher this year than anticipated.
- (C) The 2011 calendar year HAP budget has been provided to the Housing Authority and is \$496,620 per month up from \$478,825 per month, representing a 3.7% increase.
- (D) The Housing Authority did not anticipate the revenue associated in administering the various Port-ins this fiscal year.
- (E) Council approved program modification on April 26, 2011. The budget has been increased for the Housing Administrator to charge 100%.
- (F) Materials, professional services, supplies and other expenditures are expended on as needed basis.
- (G) A program modification appropriating an additional \$100,000 covering the HAP expenses through year-end was approved by representing a 3.7% increase.
- (H) The capital outlay budget assists the Housing Authority to purchase replacement computers for the staff as the need arises.

Schedule T-2

HOUSING AUTHORITY OF THE CITY OF TORRANCE (HA) STATEMENT OF REVENUE AND EXPENSES - HOUSING ASSISTANCE PAYMENTS (HAP) - BUDGET TO ACTUAL FOR TWELVE MONTHS ENDED, JUNE 30, 2011 - 100% EXPIRED

	Annual Budget	Year-to-Date Actual Without Enc.	Budget % Without Enc.	FY 2010 Annual Budget	FY 2010 Year-to-date Actual Without Enc.	FY 2010 Actual to Actual %
Revenues:						
Use of money and property	\$ 18,000	\$ 4,845 (A)	26.9%	40,000	\$ 14,325	100.0%
Section 8 Fraud Recovery - 1/2 HAP	6,000	17,532 (B)	292.2%	3,000	6,647	100.0%
Section 8 Voucher Program - HAP	5,600,000	5,836,418 (C)	104.2%	5,100,000	5,502,432	100.0%
Total revenues	5,624,000	5,858,795	104.2%	5,143,000	5,523,404	100.0%
Expenditures:						
Housing Assistance Payments (HAP)	6,130,000	5,957,418 (D)	97.2%	6,030,000	5,949,714	100.0%
Total expenditures	6,130,000	5,957,418	97.0%	6,030,000	5,949,714	100.0%
Operating Income (Loss)	(506,000)	(98,623)	19.5%	(887,000)	(426,310)	100.0%
Fund balances - July 1, 2010	636,157	636,157	100.0%			
Fund balances - June 30, 2011	\$ 130,157	\$ 537,534	413.0%			

- (A) The budget for interest earnings was substantially decreased from \$40,000 to \$18,000. This was due to lower cash balance and interest rate.
- (B) The Housing Authority (HA) is collecting on several fraud cases. Revenues from fraud recovery are higher this year than anticipated.
- (C) The 2011 calendar year HAP budget has been provided to the Housing Authority and is \$496,620 per month up from \$478,825 per month, representing a 3.7% increase.
- (D) A program modification appropriating an additional \$100,000 covering the HAP expenses through year-end was approved by council on April 26, 2011.

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Schedule U

Selected Special Revenue Funds Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)

Year ended June 30, 2011

	Parks and Recreation Facilities Fund	Seismic Education Fund	Street Lighting Assessment Fund	Drainage Improvement Fund	Parks, Rehabilitation and Open Space Fund
Revenues:					
Taxes	\$ —	\$ —	\$ 1,282,552	\$ —	\$ —
Fines, forfeitures and penalties	—	—	—	—	—
Use of money and property	12,120	739	—	—	71,825
Intergovernmental	10,450	—	—	—	80,746
Other	—	1,815	—	(87)	—
Total revenues	22,570	2,554	1,282,552	(87)	152,571
Expenditures:					
Current:					
Salaries & Benefits	—	—	404,957	—	10,855
Materials & Services	—	—	439,841	—	6,716
Professional Technical	7,000	—	26,945	—	6,100
City Charges	—	—	—	—	—
Other	—	—	1,757,199	—	—
Capital outlay	—	—	—	—	—
Total expenditures	7,000	—	2,628,942	—	23,671
Excess (deficiency) of revenues over expenditures	15,570	2,554	(1,346,390)	(87)	128,900
Other financing sources (uses):					
Transfers in	—	—	1,346,390	—	—
Transfers out	—	—	—	—	—
Net change in fund balance	15,570	2,554	—	(87)	128,900
Fund balances, July 1, 2010	1,476,712	31,860	27,061	19,531	3,068,145
Fund balances, June 30, 2011	\$ 1,492,282	\$ 34,414	\$ 27,061	\$ 19,444	\$ 3,197,045

Schedule U-Continued

Measure R Local Return Fund	Development Impact Fund	Underground Storage Tank Fund	Geologic Hazard Abatement Fund	State Gas Tax Street Improvement Fund
\$ ---	\$ 582,215	\$ ---	\$ ---	\$ ---
---	---	---	---	---
27,190	---	---	---	106,154
1,250,363	---	---	---	3,676,003
---	---	---	---	---
1,277,553	582,215	---	---	3,782,157
---	---	---	---	---
---	---	---	---	36,927
---	254,407	---	---	689,930
---	---	---	---	---
---	---	---	---	---
---	254,407	---	---	726,857
1,277,553	327,808	---	---	3,055,300
---	---	---	---	---
---	---	---	---	(1,040,000)
1,277,553	327,808	---	---	2,015,300
953,449	---	3,000	14,317	7,486,937
\$ 2,231,002	\$ 327,808	\$ 3,000	\$ 14,317	\$ 9,502,237

(continued)

Schedule U-Continued

Selected Special Revenue Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (Deficits)

(continued)

	Meadow Park Parking Lot District Fund	Police Inmate Welfare Fund	Grants and Donations Fund	Federal Housing and Community Development Fund	Asset Forfeiture Fund
Revenues:					
Taxes	\$ —	\$ —	\$ —	\$ —	\$ —
Fines, forfeitures and penalties	—	—	—	—	646,360
Use of money and property	—	676	11,727	—	55,858
Intergovernmental	—	—	7,520,549	—	—
Other	—	1,531	175,061	—	—
Total revenues	—	2,207	7,707,337	—	702,218
Expenditures:					
Current:					
Salaries & Benefits	—	—	641,027	—	—
Materials & Services	—	3,293	121,791	—	43,656
Professional Technical	17,340	—	6,044,148	—	18,635
City Charges	—	—	—	—	—
Other	—	—	5,494	—	7,175
Capital outlay	—	—	49,959	—	30,886
Total expenditures	17,340	3,293	6,862,419	—	100,352
Excess (deficiency) of revenues over expenditures	(17,340)	(1,086)	844,918	—	601,866
Other financing sources (uses):					
Transfers in	—	—	—	36,900	—
Transfers out	—	—	(35,626)	—	—
Net change in fund balance	(17,340)	(1,086)	809,292	36,900	601,866
Fund balances, July 1, 2010	47,588	51,876	619,878	740,656	4,063,410
Fund balances, June 30, 2011	\$ 30,248	\$ 50,790	\$ 1,429,170	\$ 777,556	\$ 4,665,276

Schedule U-Continued

El Camino Training Fund	Proposition 1B Fund	AB2928 Traffic Congestion Relief Fund	DNA Sampling Fund	Total Nonmajor Special Revenue Fund
\$ ---	\$ ---	\$ ---	\$ ---	1,864,767
---	---	---	---	646,360
---	13,697	21,870	---	321,856
---	---	---	---	12,538,111
66,290	---	---	17,580	262,190
66,290	13,697	21,870	17,580	15,633,284
---	115,857	55,007	---	1,264,630
---	---	---	---	615,297
---	1,912,990	874,780	---	9,852,275
---	---	---	---	---
670	---	---	---	1,770,538
39,095	---	---	---	119,940
39,765	2,028,847	929,787	---	13,622,680
26,525	(2,015,150)	(907,917)	17,580	2,010,604
---	---	---	---	1,383,290
---	---	---	---	(1,075,626)
26,525	(2,015,150)	(907,917)	17,580	2,318,268
664,794	2,791,003	1,353,291	48,420	23,461,928
\$ 691,319	\$ 775,853	\$ 445,374	\$ 66,000	25,780,196

CABLE & COMMUNITY RELATIONS/PUBLIC ACCESS/PEG**BALANCE SHEET
JUNE 30, 2011**

	Cable & Community Relations June 30, 2011	Public Access June 30, 2011	PEG Fund June 30, 2011	Total
ASSETS				
Pooled cash and investments	\$ 2,002,609	\$ (3,471)	\$ 686,932	\$ 2,686,070
Accrued interest receivable	17,747	-	-	17,747
Accounts receivable	427,461	-	85,492	512,953
Total Assets	\$ 2,447,817	\$ (3,471)	\$ 772,424	\$ 3,216,770
LIABILITIES AND FUND BALANCE (DEFICIT)				
Current Liabilities				
Accounts payable	\$ 3,301	\$ 4,140	\$ -	\$ 7,441
Accrued salaries and benefits	182,780	-	-	182,780
Total Liabilities	186,081	4,140	-	190,221
Fund Balance (Deficit)				
Unreserved	2,261,736	(7,611)	772,424	3,026,549
Total Liabilities and Fund Balance (Deficit)	\$ 2,447,817	\$ (3,471)	\$ 772,424	\$ 3,216,770

Schedule V-1

CABLE & COMMUNITY RELATIONS

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL FOR TWELVE MONTHS ENDED JUNE 30, 2011 - 100% EXPIRED

	Annual Budget	Year-To-Date Actual Without Enc.	Budget % Without Enc.	FY 2010 Annual Budget	FY 2010 Year-To-Date Actual Without Enc.	FY 2010 Actual to Actual % Without Enc.
OPERATING REVENUES						
Franchise fees	\$ 1,500,000	\$ 1,691,146 (A)	112.7%	\$ 1,500,000	\$ 1,575,202	100.0%
Miscellaneous	28,600	5,097	17.8%	28,600	4,744	100.0%
Total Operating Revenues	1,528,600	1,696,243	111.0%	1,528,600	1,579,946	100.0%
OPERATING EXPENSES:						
Salaries and employee benefits	941,464	941,558	100.0%	893,322	910,291	100.0%
Materials and supplies	43,838	43,699	99.7%	40,163	38,112	100.0%
Other professional services	68,282	68,132	99.8%	73,834	73,368	100.0%
Interdepartmental charges	72,637	72,637	100.0%	76,459	76,459	100.0%
Capital acquisitions	24,671	24,670	100.0%	42,618	14,425	100.0%
Litigation and claims	4,365	4,365	100.0%	5,094	4,365	100.0%
Other	7,837	7,837	100.0%	11,500	11,257	100.0%
Total Operating Expenses	1,163,094	1,162,898	100.0%	1,142,990	1,128,277	100.0%
OPERATING INCOME (LOSS)	365,506	533,345	145.9%	385,610	451,669	100.0%
NON-OPERATING REVENUES						
Interest income - Operations	80,000	49,973 (B)	62.5%	80,000	83,046	100.0%
Total Non-Operating Revenues	80,000	49,973	62.5%	80,000	83,046	100.0%
Income (Loss) before transfers	445,506	583,318	130.9%	465,610	534,715	100.0%
OPERATING TRANSFERS IN	-	-	N/A	258,949	258,949	100.0%
OPERATING TRANSFERS OUT	(437,352)	(437,352)	100.0%	(437,222)	(437,222)	100.0%
NET INCOME (LOSS)	\$ 8,154	\$ 145,966	1790.1%	\$ 287,337	\$ 356,442	100.0%

(A) The revenue is higher than budgeted. The budget is adjusted for fiscal year 2011-12.

(B) Interest Income is low due to lower interest rates. The budget is adjusted for fiscal year 2011-12.

CABLE & COMMUNITY RELATIONS**STATEMENT OF CASH FLOWS
FOR TWELVE MONTHS ENDED JUNE 30, 2011****Cash flows from operating activities**

Operating income (loss)	\$	533,345	
Adjustments to reconcile operating income (loss) to net cash provided by operating activities			
(Increase) Decrease in accounts receivable		(12,521)	
Decrease (Increase) in interest receivable		6,035	
Increase (Decrease) in accounts payable		(10,756)	
Increase (Decrease) in accrued liabilities		36,539	
Decrease in prepayments		2,100	
Net cash provided by operating activities	\$		554,742

Cash flows from investing activities

Interest on investments		49,973	
Net cash provided by investing activities			49,973

Cash flows from non-capital financing activities

Transfers-in		-	
Transfers-out		(437,352)	
Net cash used by non-capital financing activities			(437,352)

Net change in cash			167,363
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Cash and cash equivalents, July 1, 2010			1,835,246
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Cash and cash equivalents, June 30, 2011	\$		2,002,609
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Schedule V-3

CABLE TV - PUBLIC ACCESS**STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED JUNE 30, 2011 - 100% EXPIRED**

	Annual Budget (A)	Year-To-Date Actual Without Enc.	Budget % Without Enc.	FY 2010 Annual Budget	FY 2010 Year-To-Date Actual Without Enc.	FY 2010 Actual to Actual % Without Enc.
OPERATING REVENUES						
TCTV workshops	\$ 412	\$ 400	97.1%	\$ 412	\$ 905	100.0%
Miscellaneous	2,500	1,837	73.5%	2,500	979	100.0%
Total Operating Revenues	2,912	2,237	76.8%	2,912	1,884	100.0%
OPERATING EXPENSES:						
Salaries and employee benefits	309,326	309,327	100.0%	306,311	309,171	100.0%
Materials and supplies	16,416	16,415	100.0%	10,011	9,151	100.0%
Other professional services	16,815	16,814	100.0%	22,600	21,118	100.0%
Interdepartmental charges	34,357	34,357	100.0%	36,238	36,238	100.0%
Capital outlay	32,692	32,692	100.0%	20,688	16,795	100.0%
Litigation and claims	2,249	2,249	100.0%	3,427	2,249	100.0%
Other	1,790	1,790	100.0%	3,100	2,461	100.0%
Total Operating Expenses	413,645	413,644	100.0%	402,375	397,183	100.0%
OPERATING INCOME (LOSS)	(410,733)	(411,407)	100.2%	(399,463)	(395,299)	100.0%
OPERATING TRANSFERS IN	421,400	421,400	100.0%	418,000	418,000	100.0%
OPERATING TRANSFERS OUT	(4,811)	(4,811)	100.0%	(5,625)	(5,625)	100.0%
NET INCOME (LOSS)	\$ 5,856	\$ 5,182	88.5%	\$ 12,912	\$ 17,076	100.0%

CABLE TV - PUBLIC ACCESS
STATEMENT OF CASH FLOWS
FOR TWELVE MONTHS ENDED JUNE 30, 2011

Cash flows from operating activities

Operating income (loss)	\$ (411,407)
Adjustments to reconcile operating income (loss) to net cash used by operating activities:	
Increase (Decrease) in accounts payable	<u>295</u>
<i>Net cash used by operating activities</i>	\$ (411,112)

Cash flows from non-capital financing activities

Transfers in	421,400
Transfers out	<u>(4,811)</u>
<i>Net cash provided by non-capital financing activities</i>	<u>416,589</u>
<i>Net change in cash</i>	5,477

Cash and cash equivalents, July 1, 2010	<u>(8,948)</u>
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Cash and cash equivalents, June 30, 2011	<u><u>\$ (3,471)</u></u>
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PUBLIC EDUCATION GOVERNMENT ACCESS (PEG) FUND**STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED JUNE 30, 2011 - 100% EXPIRED**

	<i>Annual Budget</i>	<i>Year-To-Date Actual Without Enc.</i>	<i>Budget % Without Enc.</i>	<i>FY 2010 Annual Budget</i>	<i>FY 2010 Year-To-Date Actual Without Enc.</i>	<i>FY 2010 Actual to Actual % Without Enc.</i>
OPERATING REVENUES						
Public Education Government Fees	\$ 277,452	\$ 338,557 (A)	122.0%	\$ 277,452	\$ 316,411	100.0%
Total Operating Revenues	277,452	338,557	122.0%	277,452	316,411	100.0%
Total Operating Expenses	-	-	N/A	-	-	N/A
OPERATING INCOME (LOSS)	277,452	338,557	122.0%	277,452	316,411	100.0%
Income (Loss) before transfers	277,452	338,557	122.0%	277,452	316,411	100.0%
OPERATING TRANSFERS OUT	-	-	N/A	-	-	N/A
NET INCOME (LOSS)	\$ 277,452	\$ 338,557	122.0%	\$ 277,452	\$ 316,411	100.0%

(A) Revenue is higher than budgeted. Budget is adjusted for fiscal year 2011-12.

PUBLIC EDUCATION GOVERNMENT ACCESS (PEG) FUND
STATEMENT OF CASH FLOWS
FOR TWELVE MONTHS ENDED JUNE 30, 2011

Cash flows from operating activities

Operating income (loss)	\$ 338,557
Adjustments to reconcile operating income (loss) to net cash provided by operating activities	
(Increase) Decrease in accounts receivable	<u>(2,504)</u>

Net cash provided by operating activities \$ 336,053

Net change in cash 336,053

Cash and cash equivalents, July 1, 2010 350,879

Cash and cash equivalents, June 30, 2011 \$ 686,932

ANIMAL CONTROL FUND**BALANCE SHEET**

June 30, 2011

June 30, 2011**ASSETS****Current Assets**

Accounts Receivable

\$ 68,386

Total Current Assets

68,386

Total Assets

\$ 68,386

LIABILITIES AND FUND EQUITY (Deficit)**Current Liabilities**

Accounts Payable

\$ 32,383

Total Liabilities

32,383

Fund Equity (Deficit)

Retained Earnings - Reserved

6,218 (A)

Retained Earnings

29,785

Total Fund Equity (Deficit)

36,003

Total Liabilities and Fund Equity (Deficit)

\$ 68,386

(A) Amount used to balance 2010-11 budget.

Schedule W-1

ANIMAL CONTROL FUND**STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED, JUNE 30, 2011 - 100% EXPIRED**

	Annual Budget	Year-To-Date Actual Without Enc.	Budget % Without Enc.	FY 2010 Annual Budget	FY 2010 Year-To-Date Actual Without Enc.	FY 2010 Actual to Actual % Without Enc.
OPERATING REVENUES						
Animal licenses/permits	\$ 222,000	\$ 227,053	102.3%	222,000	185,578	100.0%
Other Revenues	-	10,039 (A)	N/A	-	9,557	100.0%
Total Operating Revenues	222,000	237,092	106.8%	222,000	195,135	100.0%
OPERATING EXPENSES:						
Salaries and employee benefits	341,400	307,475 (B)	90.1%	334,600	329,273	100.0%
Services and supplies	6,000	6,000	100.0%	26,890	23,694	100.0%
Other professional services	95,000	72,461 (C)	76.3%	106,780	74,552	100.0%
Training, travel and membership dues	6,000	6,000	100.0%	6,000	609	100.0%
Others-interdepartmental charges	13,466	13,466	100.0%	14,365	14,365	100.0%
Total Operating Expenses	461,866	405,402	87.8%	488,635	442,493	100.0%
OPERATING INCOME (LOSS)	(239,866)	(168,310)	70.2%	(266,635)	(247,358)	100.0%
OPERATING TRANSFERS IN	233,648	169,359	72.5%	238,648	219,079	100.0%
FROM FUND BALANCE	6,218	-	0.0%	27,987	28,279	100.0%
NET INCOME (LOSS)	\$ -	\$ 1,049	N/A	\$ -	\$ -	N/A

(A) This amount represents impound fees collected from pet owners.

(B) Animal Control Supervisor position has been vacant since May 2011.

(C) On October 20, 2009 Council approved a 5 year agreement with the County of Los Angeles for \$450,000. Actual expense for the current year was less than expencded and \$12,000 of related encumbrance was rolled to FY2011-12.

ANIMAL CONTROL FUND**STATEMENT OF CASH FLOWS
FOR TWELVE MONTHS ENDED, JUNE 30, 2011****Cash flows from operating activities**

Operating loss	\$	(168,310)	
Adjustments to reconcile operating loss to net cash used by operating activities			
(Increase) in accounts receivable		(37,336)	
(Decrease) in accounts payable		<u>(1,113)</u>	
Net cash used by operating activities			<u>\$ (206,759)</u>

Cash flows from noncapital financing activities

Operating transfers in		<u>169,359</u>	
Net cash provided by noncapital financing activities			<u>169,359</u>

Net change in cash			<u>(37,400)</u>
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Cash, restricted cash and cash equivalents, July 1, 2010			<u>37,400</u>
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Cash, restricted cash and cash equivalents, June 30, 2011			<u><u>\$ -</u></u>
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AIR QUALITY MANAGEMENT DISTRICT FUND**BALANCE SHEET**
June 30, 2011

	<u>June 30, 2011</u>
ASSETS	
Pooled Cash and Investments	\$ 129,742
Due from other government	36,311
Total Assets	\$ 166,053
LIABILITIES AND FUND EQUITY	
Current Liabilities	
Accounts Payable	\$ 2,778
Total Liabilities	2,778
Fund Equity	
Retained Earnings - Reserved	22,582 (A)
Retained Earnings - Unreserved	140,693
Total Fund Equity	163,275
Total Liabilities and Fund Equity	\$ 166,053

(A) Represents amount used to balance FY10-11 budget

AIR QUALITY MANAGEMENT DISTRICT FUND
STATEMENT OF REVENUES & EXPENSES-BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED JUNE 30, 2011 - 100% EXPIRED

Schedule X-1

	<i>Budget</i>	<i>Actual</i>	<i>% of Budget</i>	<i>FY 2010 Annual Budget</i>	<i>FY 2010 Year-to-date Actual Without Enc.</i>	<i>FY 2010 Actual to Actual % Without Enc.</i>
Revenues:						
Use of money and property	\$ 4,000	\$ 2,132 (A)	53.3%	\$ 5,500	\$ 3,603	100.0%
Intergovernmental	170,000	164,780	96.9%	170,000	168,835	100.0%
Total revenues	174,000	166,912	95.9%	175,500	172,438	100.0%
Expenditures:						
Current:						
Salaries & benefits	50,200	42,807 (B)	85.3%	52,208	44,976	100.0%
Materials & supplies	78,662	51,987 (C)	66.1%	78,662	68,993	100.0%
Professional technical	67,720	67,720	100.0%	67,720	67,720	100.0%
Total expenditures	196,582	162,514	82.7%	198,590	181,689	100.0%
Excess (deficiency) of revenues over expenditures	(22,582)	4,398	-19.5%	(23,090)	(9,251)	100.0%
From Fund Balance	22,582	-	0.0%	23,090	9,251	100.0%
Excess (deficiency) of revenues over expenditures	\$ -	\$ 4,398	N/A	\$ -	\$ -	N/A

(A) Interest earnings are low due to lower interest rates and lower cash balance. The budget is adjusted for fiscal year 2011-12.

(B) Regular salaries are lower than budget because the leave hours are higher than expected.

(C) Redemption of points for the Rideshare Incentive program has been low as of June 30, 2011.

VAN POOL/RIDESHARE FUND
BALANCE SHEET
June 30, 2011

ASSETS

Pooled Cash and Investments	\$	369
Total Assets	\$	369

LIABILITIES AND FUND EQUITY**Current Liabilities**

Accounts Payable	\$	369
Total Current Liabilities		369

Fund Equity

Retained Earnings - Unreserved		-
Total Fund Equity		-

Total Liabilities and Fund Equity	\$	369
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Schedule Y-1

VANPOOL/RIDESHARE FUND
STATEMENT OF REVENUES AND EXPENSES - BUDGET TO ACTUAL
FOR TWELVE MONTHS ENDED JUNE 30, 2011 - 100% EXPIRED

	<i>Annual</i>	<i>Year-to-Date</i>	<i>Budget</i>	<i>FY 2010</i>	<i>FY 2010</i>	<i>FY 2010</i>
	<i>Budget</i>	<i>Actual</i>	<i>%</i>	<i>Annual</i>	<i>Year-to-date</i>	<i>Actual to</i>
	<i>Budget</i>	<i>Without Enc.</i>	<i>Without Enc.</i>	<i>Budget</i>	<i>Without Enc.</i>	<i>Actual %</i>
OPERATING REVENUES						
Passenger Cash Fares	\$ 65,000	\$ 57,167 (A)	87.9%	\$ 65,000	\$ 57,977	100.0%
Other Grants	45,200	41,139 (B)	91.0%	45,200	44,654	100.0%
Total Operating Revenues	110,200	98,306	89.2%	110,200	102,631	100.0%
OPERATING EXPENSES						
Salaries and employee benefits	70,741	49,562 (C)	70.1%	73,450	64,539	100.0%
Services and supplies	183,235	145,429 (D)	79.4%	179,642	152,912	100.0%
Other professional services	6,125	6,090	99.4%	5,600	5,460	100.0%
Total Operating Expenses	260,101	201,081	77.3%	258,692	222,911	100.0%
OPERATING INCOME (LOSS)	(149,901)	(102,775)	31.4%	(148,492)	(120,280)	100.0%
Operating Transfer In	154,900	102,775 (E)	66.3%	154,900	154,900	100.0%
Operating Transfer Out	-	-	N/A	(397)	(397)	100.0%
Return to Prop C Fund	(4,999)	-	0.0%	(6,011)	(377,898)	100.0%
From Fund Balance	-	-	N/A	-	343,675	100.0%
NET INCOME (LOSS)	\$ -	\$ -	N/A	\$ -	\$ -	N/A

(A) There are fewer employees participating in the vanpool program. The budget is adjusted for fiscal year 2011-12 to be more in line with actual revenue received.

(B) Reimbursements from Metro on vehicle rentals are low because fewer employees are participating in the vanpool program. Therefore, not all of the rented vehicles are able to meet Metro's usage reimbursement requirement.

(C) The employee budgeted for the vanpool program was on leave from July to October 2010. Effective November 2010, the vanpool program was transferred to the Community Development Department. CDD staff started charging employees time to this program in November 2010.

(D) There is less incentive program expense due to fewer employees participating in the vanpool program. Also, less vehicle fuel has been used.

(E) Actual expenses are low so the required transfer from Prop C is low.

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Schedules: Schedule A -- General Fund Revenue Summary - Budget to Actual for Three Months Ended September 30, 2011.

Schedule B -- Expenditures Summary by Fund -- Budget to Actual-All Funds With Annually Adopted Budgets for Three Months Ended September 30, 2011.

Schedule B-1 -- Expenditures Detail By Fund- Budget to Actual-All Funds With Annually Adopted Budgets-Salaries and Benefits Expenditures for Three Months Ended September 30, 2011.

Schedule B-2 -- Expenditures Detail By Fund- Budget to Actual-All Funds With Annually Adopted Budgets- Materials, Services, and Other Expenditures for Three Months Ended September 30, 2011.

Schedule B-3 -- Expenditures Summary-Budget to Actual-General Fund by Character for Three Months Ended September 30, 2011.

Schedule B-4 -- Adopted Budget and Amendments by Fund for Three Months Ended September 30, 2011.

Schedule C -- Internal Service and Enterprise Fund Revenue Summary- Budget to Actual for Three Months Ended September 30, 2011.

Schedule D -- Fleet Services-Combined Fund Balance Sheet for Three Months Ended September 30, 2011.

Schedule D-1 -- Fleet Services Combined Fund Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011.

Schedule D-2 -- Fleet Services Combined Fund Statement of Cash Flows for Three Months Ended September 30, 2011

Schedule D-3 -- Fleet-Operations and Maintenance Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011.

Schedule D-4 -- Fleet-Operations and Maintenance Statement of Cash Flows for Three Months Ended September 30, 2011.

Schedule D-5 -- Fleet-Vehicle Replacement Fund Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011.

Schedule D-6 -- Fleet-Vehicle Replacement Fund Statement of Cash Flows for Three Months Ended September 30, 2011.

Schedule D-7 -- Fleet-Shop Equipment Replacement Fund Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011.

Schedule D-8 -- Fleet-Shop Equipment Replacement Fund Statement of Cash Flows for Three Months Ended September 30, 2011.

Schedule E -- Self-Insurance Fund Balance Sheet for Three Months Ended September 30, 2011.

Schedule E-1 -- Self-Insurance Fund Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011.

Schedule E-2 -- Self-Insurance Fund Statement of Cash Flows for Three Months Ended September 30, 2011.

Schedule F -- Airport Fund Balance Sheet for Three Months Ended September 30, 2011.

Schedule F-1 -- Airport Combined Fund Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011.

Schedule F-2 -- Airport Fund-Aeronautical Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011.

Schedule F-3 -- Airport Fund Non-Aeronautical Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011.

Schedule F-4 -- Airport Fund Statement of Cash Flows for Three Months Ended September 30, 2011.

Schedule G -- Transit Fund Balance Sheet for Three Months Ended September 30, 2011.

Schedule G-1 -- Transit Fund Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011.

Schedule G-2 -- Transit Fund Statement of Cash Flows for Three Months Ended September 30, 2011.

Schedule G-3 -- Municipal Area Express (MAX) Combining Statement of Revenues, Expenditures and Changes in Fund Balance for Three Months Ended September 30, 2011.

Schedule H -- Water Fund Balance Sheet for Three Months Ended September 30, 2011.

Schedule H-1 -- Water Fund Operations Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011.

Schedule H-2 -- Water Fund Statement of Cash Flows for Three Months Ended September 30, 2011.

Schedule I -- Emergency Medical Services Fund Balance Sheet for Three Months Ended September 30, 2011.

Schedule I-1 -- Emergency Medical Services Fund Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011

Schedule I-2 -- Emergency Medical Services Statement of Cash Flows for Three Months Ended September 30, 2011.

Schedule J -- Sanitation Enterprise Fund Balance Sheet for Three Months Ended September 30, 2011.

Schedule J-1 -- Sanitation Enterprise Fund Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011.

Schedule J-2 -- Sanitation Enterprise Fund Statement of Cash Flows for Three Months Ended June 30, 2008.

Schedule K -- Cultural Arts Center Enterprise Fund Balance Sheet for Three Months Ended September 30, 2011.

Schedule K-1 -- Cultural Arts Center Enterprise Fund Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011.

Schedule K-2 -- Cultural Arts Center Enterprise Fund Budget to Actual by Programs for Three Months Ended September 30, 2011.

Schedule K-3 -- Cultural Arts Center Enterprise Fund Statement of Cash Flows for Three Months Ended September 30, 2011.

Schedule L -- Sewer Enterprise Fund Balance Sheet for Three Months Ended September 30, 2011.

Schedule L-1 -- Sewer Enterprise Fund Operations Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011.

Schedule L-2 -- Sewer Enterprise Fund Operations Statement of Cash Flows for Three Months Ended September 30, 2011.

Schedule M -- Parks and Recreation Enterprise Fund Balance Sheet for Three Months Ended September 30, 2011.

Schedule M-1 -- Parks and Recreation Enterprise Combined Fund Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011.

Schedule M-2 -- Parks and Recreation -- Recreation Services Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011.

Schedule M-3 -- Parks and Recreation -- Cultural Services Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011

Schedule M-4 -- Parks and Recreation Enterprise Fund Statement of Cash Flows for Three Months Ended September 30, 2011.

Schedule N -- Capital Improvements Fund Balance Sheet for Three Months Ended September 30, 2011.

Schedule N-1 -- Capital Improvements Fund Statement of Revenues, Expenditures and Changes in Fund Balance for Three Months Ended September 30, 2011.

Schedule O -- Prop C Local Return/Grants and Discretionary Funds Balance Sheet for Three Months Ended September 30, 2011.

Schedule O-1 -- Prop C Local Return/Grants and Discretionary Funds Combining Statement of Revenues, Expenditures and Changes in Fund Balances for Three Months Ended September 30, 2011.

Schedule P -- Torrance Public Financing Authority Restricted Capital Project Fund Statement of Revenues, Expenditures and Changes in Fund Balance for Three Months Ended September 30, 2011.

Schedule Q -- Downtown Redevelopment Capital Project Fund Statement of Revenues and Expenditures-Budget to Actual for Three Months Ended September 30, 2011.

Schedule Q-1 -- Low Moderate Income Housing Redevelopment Capital Project Fund Statement of Revenues and Expenditures for Three Months Ended September 30, 2011.

Schedule R -- Torrance Public Financing Authority Debt Service Fund Statement of Revenues, Expenditures and Changes in Fund Balance for Three Months Ended September 30, 2011.

Schedule S -- Skypark Redevelopment Debt Service Fund Statement of Revenues and Expenditures-Budget to Actual for Three Months Ended September 30, 2011.

Schedule S-1 -- Downtown Redevelopment Debt Service Fund Statement of Revenues and Expenditures-Budget to Actual for Three Months Ended September 30, 2011.

Schedule S-2 -- Industrial Redevelopment Debt Service Fund Statement of Revenues and Expenditures-Budget to Actual for Three Months Ended September 30, 2011.

Schedule T -- Housing Authority of the City of Torrance-Balance Sheet for Three Months Ended September 30, 2011.

Schedule T-1 -- Housing Authority of the City of Torrance-Statement of Revenue and Expenses for Three Months Ended September 30, 2011.

Schedule T-2 -- Housing Authority of the City of Torrance-Combined Statement of Revenue and Expenses-Housing Assistance Payments-Budget to Actual For Three Months Ended September 30, 2011.

Schedule T-3 -- Housing Authority of the City of Torrance-Statement of Revenue and Expenses-Administration-Budget to Actual For Three Months Ended September 30, 2011.

Schedule U -- Selected Special Revenue Funds Combining Statement of Revenues, Expenditures and Changes in Fund Balances for Three Months Ended September 30, 2011.

Schedule V -- Cable & Community Relations/Public Access/PEG Balance Sheet for Three Months Ended September 30, 2011.

Schedule V-1 -- Cable & Community Relations Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011.

Schedule V-2 -- Cable & Community Relations Statement of Cash Flows for Three Months Ended September 30, 2011.

Schedule V-3 -- Cable TV Public Access Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011.

Schedule V-4 -- Cable TV Public Access Cash Flows for Three Months Ended September 30, 2011.

Schedule V-5 -- Public Education Government Access (PEG) Fund Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011.

Schedule V-6 -- Public Education Government Access (PEG) Fund Cash Flows for Three Months Ended September 30, 2011.

Schedule W -- Animal Control Fund Balance Sheet for Three Months Ended September 30, 2011.

Schedule W-1 -- Animal Control Fund Statement of Revenues and Expenses --Budget to Actual for Three Months Ended September 30, 2011.

Schedule W-2 -- Animal Control Fund Statement of Cash Flows for Three Months Ended September 30, 2011.

Schedule X -- Air Quality Management District Fund Balance Sheet for Three Months Ended September 30, 2011.

Schedule X-1 -- Air Quality Management District Fund Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011.

Schedule Y -- Vanpool/Rideshare Fund Balance Sheet for Three Months Ended September 30, 2011.

Schedule Y-1 -- Vanpool/Rideshare Fund Statement of Revenues and Expenses-Budget to Actual for Three Months Ended September 30, 2011.

Schedule A

**GENERAL FUND REVENUE SUMMARY-ANNUAL BUDGET TO ACTUAL
FOR THREE MONTHS ENDED SEPTEMBER 30, 2011 - 25.1% EXPIRED**

	Annual Budget	Year-To-Date Actual	Budget %	FY 2011 Annual Budget	FY 2011 Year-To-Date Actual	FY 2011 Actual %	FY 2011 Prior Year Total
<u>TAXES</u>							
Property taxes	\$ 29,580,000	\$ 1,087,722	3.7%	\$ 28,530,000	\$ 1,041,737	3.7%	28,260,148
VLF Swap and repayment	11,510,000	-	0.0%	11,070,000	-	0.0%	11,074,900
Sales and use taxes	27,040,000	2,346,967	8.7%	26,000,000	2,699,984	9.3%	28,965,148
Sales tax flip	8,930,000	-	0.0%	8,584,000	-	0.0%	8,600,381
Utility users tax:							
Electricity	15,392,000	2,607,354	16.9%	15,400,000	2,810,375	19.2%	14,661,294
Gas:							
Refineries	4,061,000	366,505	9.0%	6,100,000	333,942	8.6%	3,867,422
Other	2,767,000	388,275	14.0%	3,000,000	345,557	13.0%	2,652,830
Water	2,009,000	391,614	19.5%	1,900,000	354,483	18.5%	1,913,645
Cable	1,497,000	236,518	15.8%	1,600,000	247,720	17.4%	1,426,069
Telecommunication/Cellular	9,874,000	1,372,091	13.9%	9,000,000	1,445,724	17.2%	8,388,684
Sub Total - Utility users tax	35,600,000	5,362,357	15.1%	37,000,000	5,537,801	16.8%	32,909,944
Business license tax/permit tax	8,220,000	251,308	3.1%	7,900,000	173,774	2.2%	8,024,995
Franchise tax	5,400,000	49,856	0.9%	5,400,000	22,624	0.5%	4,693,735
Occupancy tax	7,660,000	550,180	7.2%	7,400,000	238,594	3.4%	6,958,891
PSAF	1,400,000	216,471	15.5%	1,350,000	204,823	17.1%	1,201,164
Construction tax	800,000	162,253	20.3%	800,000	144,969	20.9%	693,972
Real property transfer tax	600,000	71,280	11.9%	600,000	84,984	18.1%	468,710
Oil severance tax	10,000	1,813	18.1%	10,000	1,053	14.3%	7,375
TOTAL TAXES	136,750,000	10,100,207	7.4%	134,644,000	10,150,343	7.7%	131,859,363
<u>LICENSES AND PERMITS</u>							
Construction permits/other license fee/permits	2,121,000	473,103	22.3%	2,094,000	392,398	23.0%	1,707,046
TOTAL LICENSES/ FEES	2,121,000	473,103	22.3%	2,094,000	392,398	23.0%	1,707,046
<u>FINES AND FORFEITURES</u>							
General court fines	350,000	20,735	5.9%	300,000	79,871	24.1%	331,719
Traffic fines/parking citations	980,000	157,238	16.0%	1,175,000	141,869	18.8%	752,774
TOTAL FINES/FORFEITURES	1,330,000	177,973	13.4%	1,475,000	221,740	20.4%	1,084,493
<u>REV-USE OF MONEY/PROPERTY</u>							
Investment earnings	2,000,000	330,434	16.5%	2,001,570	372,428	83.2%	447,617
Rents, royalties and leases	1,360,000	334,812	24.6%	1,325,513	141,232	10.7%	1,315,057
TOTAL USE OF MONEY/PROPERTY	3,360,000	665,246	19.8%	3,327,083	513,660	29.1%	1,762,674
<u>REVENUES FROM OTHER AGENCIES</u>							
State motor vehicle licenses	580,000	74,069	12.8%	580,000	74,195	10.8%	684,566
State homeowners' property tax	250,000	-	0.0%	250,000	-	0.0%	236,485
Other State revenues	150,000	16,792	11.2%	150,000	14,417	14.5%	99,087
TOTAL OTHER AGENCIES	980,000	90,861	9.3%	980,000	88,612	8.7%	1,020,138
<u>CHARGES FOR CURRENT SERVICES</u>							
City Clerk	9,000	2,954	32.8%	15,500	2,476	28.2%	8,773
Community Development	1,366,000	276,201	20.2%	1,639,413	336,513	26.6%	1,266,076
Community Services	589,000	127,154	21.6%	556,000	180,071	32.1%	561,145
Non-Departmental	530,000	4,093	0.8%	7,300	1,088	5.7%	19,018
Police	536,000	140,879	26.3%	680,000	152,829	30.0%	509,581
Fire	1,880,000	108,056	5.7%	1,834,987	56,782	2.8%	2,046,713
Public Works	159,000	159,688	100.4%	136,000	134,358	92.8%	144,796
TOTAL CURRENT SERVICE CHARGES	5,069,000	819,025	16.2%	4,869,200	864,117	19.0%	4,556,102
<u>OTHER REVENUES</u>							
Other revenues	674,050	207,575	30.8%	859,484	166,037	16.9%	980,925
Contributions-Enterprises	3,612,320	1,670,149	46.2%	3,130,970	1,178,105	37.4%	3,148,970
Operating transfers in	11,524,279	3,247,395	28.2%	14,634,185	4,334,361	29.7%	14,579,873
TOTAL OTHER REVENUES	15,810,649	5,125,119	32.4%	18,624,639	5,678,503	30.4%	18,709,768
Total General Fund Revenues	\$ 165,420,649	\$ 17,451,534	10.5%	\$ 166,013,922	17,909,373	11.1%	\$ 160,699,584

EXPENDITURES SUMMARY BY FUND - BUDGET TO ACTUAL - ALL FUNDS WITH ANNUALLY ADOPTED BUDGETS
FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED

Schedule B

	FY 11-12					FY 10-11				
	REVISED BUDGET	EXPEND WITHOUT ENCUMBR	% OF BUDGET TO ACTUAL W/O ENC	PROJECTED ACTUALS 6/30/11	% OF BUDGET PROJ TO ACTUAL	REVISED BUDGET	EXPEND WITHOUT ENCUMBR	% OF ACTUAL TO ACTUAL W/O ENC	ANNUAL EXPEND WITHOUT ENCUMBR	
GENERAL FUND										
BY DEPARTMENT:										
Council/Commissions	\$ 590,319	\$ 186,190	31.5 %	\$ 570,614	96.7%	594,685	144,440	27.4 %	526,657	
City Manager	2,735,504	577,989	21.1%	2,620,861	95.8%	2,749,131	617,356	23.9%	2,580,608	
City Attorney	2,153,122	486,293	22.6%	2,027,381	94.2%	2,142,685	492,903	24.9%	1,979,054	
City Clerk	1,049,402	224,577	21.4%	1,064,407	101.4%	868,470	219,726	25.6%	858,299	
City Treasurer	926,449	204,624	22.1%	869,475	93.9%	856,314	170,936	23.7%	721,924	
Finance	4,070,376	929,007	22.8%	3,936,429	96.7%	3,816,601	923,881	25.6%	3,601,911	
Human Resources	2,505,053	501,618	20.0%	2,260,076	90.2%	2,581,393	557,248	23.5%	2,375,288	
Civil Service	476,958	107,802	22.6%	455,310	95.5%	470,281	95,426	25.1%	379,967	
Community Development	7,238,535	1,735,612	24.0%	7,118,543	98.3%	7,788,473	1,959,596	25.3%	7,750,315	
Comm & Info Tech	4,473,442	1,096,215	24.5%	4,314,340	96.4%	4,656,856	1,164,517	26.2%	4,437,169	
General Services	4,063,246	817,849	20.1%	3,701,682	91.1%	3,932,321	749,594	20.8%	3,602,307	
Police	65,429,054	15,759,273	24.1%	63,980,769	97.8%	62,672,941	15,984,461	25.8%	61,935,107	
Fire	25,473,588	6,447,459	25.3%	25,425,546	99.8%	26,165,376	7,028,104	26.9%	26,098,587	
Public Works	11,859,289	2,508,453	21.2%	11,070,027	93.3%	12,090,188	2,707,437	25.5%	10,622,204	
Community Services	14,053,020	3,368,018	24.0%	13,874,326	98.7%	14,333,413	3,716,314	26.3%	14,110,944	
Non-Departmental (1001 only):										
Insurance	25,000	3,677	14.7%	25,000	100.0%	25,000	1,258	9.2%	13,691	
Community Promotion	319,622	54,000	16.9%	319,622	100.0%	178,622	70,263	40.4%	173,944	
Non-Departmental	3,501,887	102,335	2.9%	3,070,110	87.7%	3,690,018	340,583	21.3%	1,599,694	
Leaseback	4,127,104	639,483	15.5%	4,127,104	100.0%	4,095,670	671,955	16.5%	4,081,915	
Community Improvements	140,000	4,000	2.9%	130,000	92.9%	140,000	4,000	13.9%	28,765	
Indirect Costs Reim.	(5,228,875)	(1,144,824)	21.9%	(4,579,296)	87.6%	(5,036,212)	(1,114,550)	24.4%	(4,562,099)	
Transfers	17,527,822	3,859,493	22.0%	17,527,822	100.0%	20,896,082	6,862,536	34.5%	19,912,587	
HIP	-	-	N/A	-	N/A	25,000	-	N/A	-	
Total General Fund	167,509,917	38,469,143	23.0%	163,910,148	97.9%	169,733,308	43,367,984	26.6%	162,828,838	
Fleet Svcs	5,894,568	1,321,105	22.4%	5,592,200	94.9%	5,966,472	1,463,358	26.4%	5,545,666	
Self - Insurance	4,275,944	1,342,490	31.4%	4,136,014	96.7%	5,120,798	1,350,903	20.8%	6,488,624	
Total Internal Service	10,170,512	2,663,595	26.2%	9,728,214	95.7%	11,087,270	2,814,261	23.4%	12,034,290	
Airport	11,743,170	2,861,844	24.4%	11,629,001	99.0%	11,640,526	2,769,040	24.5%	11,292,456	
Transit	25,052,626	5,290,658	21.1%	21,854,285	87.2%	23,528,273	5,155,778	23.5%	21,940,787	
Water	31,700,641	7,620,881	24.0%	31,056,031	98.0%	30,683,649	7,675,839	26.3%	29,203,295	
Emergency Medical Services	10,688,399	2,449,038	22.9%	10,395,235	97.3%	10,284,526	2,283,446	22.2%	10,266,146	
Sanitation	12,529,201	2,532,896	20.2%	11,837,597	94.5%	12,519,669	2,621,369	21.6%	12,135,641	
Cultural Arts	2,161,885	516,861	23.9%	2,066,036	95.6%	2,339,585	632,040	29.6%	2,136,590	
Sewer	3,049,978	1,170,681	38.4%	2,983,313	97.8%	2,672,100	575,901	22.9%	2,519,459	
Parks & Recreation	8,502,398	2,153,260	25.3%	8,058,583	94.8%	8,314,813	2,309,559	29.0%	7,976,055	
Total Enterprise	105,428,298	24,596,119	23.3%	99,880,081	94.7%	101,983,141	24,022,972	24.6%	97,470,429	
Section 8 Rental Assistance	6,913,561	1,667,753	24.1%	6,841,200	99.0%	6,805,520	1,677,184	25.5%	6,568,857	
Rehab Loan Program (HCD)	-	-	N/A	-	N/A	4,300	-	N/A	-	
Redevelopment Agency	13,280,144	3,119,985	23.5%	12,938,589	97.4%	17,117,470	3,352,347	21.5%	15,608,946	
Cable & Comm Relations	1,678,742	420,473	25.0%	1,678,742	100.0%	1,600,446	395,607	24.7%	1,600,250	
Cable Public Edu Gov Access	-	-	N/A	-	N/A	-	-	N/A	-	
Cable TV Public Access	419,041	94,118	22.5%	419,041	100.0%	418,456	122,896	29.4%	418,456	
Air Quality Mgmt District	189,062	27,185	14.4%	170,400	90.1%	196,582	36,378	22.4%	162,514	
Animal Control Fund	465,967	71,349	15.3%	399,367	85.7%	461,866	99,665	24.6%	405,402	
Van Pool/Ride Share	261,930	61,074	23.3%	259,930	99.2%	265,100	63,399	31.5%	201,081	
Gas Tax (Transfers Only)	1,040,000	261,040	25.1%	1,040,000	100.0%	1,040,000	210,000	20.2%	1,040,000	
Street Lighting District	3,180,201	498,154	15.7%	2,900,000	91.2%	3,185,477	460,090	17.5%	2,628,942	
Torrance Pub Fin Auth Debt Svc	4,571,180	787,459	17.2%	4,571,180	100.0%	4,576,230	785,559	17.2%	4,576,230	
Total External Funds	31,999,828	7,008,590	21.9%	31,218,449	97.6%	35,671,447	7,203,125	21.7%	33,210,678	
GRAND TOTAL	\$ 315,108,555	\$ 72,737,447	23.1%	\$ 304,736,892	96.7%	\$ 318,475,166	\$ 77,408,342	25.3%	\$ 305,544,235	

EXPENDITURES DETAIL BY FUND - BUDGET TO ACTUAL - ALL FUNDS WITH ANNUALLY ADOPTED BUDGETS
SALARIES AND BENEFITS EXPENDITURES
FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED

Schedule B-1

	FY 11-12					FY 10-11				
	SALARIES AND BENEFITS BUDGET	SALARIES AND BENEFITS ACTUAL	% OF BUDGET TO ACTUAL	PROJECTED ACTUALS 6/30/12	% OF BUDGET PROJ TO ACTUAL	REVISED BUDGET	SALARIES & BENEFITS ACTUAL	% OF ACTUAL TO ACTUAL	ANNUAL SALARIES AND BENEFITS ACTUAL	
GENERAL FUND										
BY DEPARTMENT:										
Council/Commissions	\$ 94,100	\$ 18,352	19.5%	\$ 89,395	95.0%	\$ 230,200	\$ 52,163	23.8%	\$ 218,739	
City Manager	1,929,439	474,184	24.6%	1,929,439	100.0%	1,905,848	498,863	26.3%	1,899,947	
City Attorney	1,730,004	423,310	24.5%	1,677,753	97.0%	1,700,457	445,137	26.7%	1,666,612	
City Clerk	807,844	211,863	26.2% (A)	842,900	104.3%	648,344	170,625	25.4%	671,268	
City Treasurer	719,663	165,822	23.0%	682,900	94.9%	647,863	142,478	25.7%	554,186	
Finance	3,477,594	806,307	23.2%	3,350,724	96.4%	3,245,864	801,722	25.6%	3,132,801	
Human Resources	1,701,044	410,022	24.1%	1,690,838	99.4%	1,839,256	470,728	25.5%	1,849,443	
Civil Service	337,318	75,819	22.5%	328,548	97.4%	363,018	69,323	22.2%	312,811	
Community Development	6,099,611	1,532,652	25.1%	6,093,511	99.9%	6,847,565	1,767,569	25.8%	6,849,112	
Comm & Info Tech	3,652,645	863,471	23.6%	3,620,700	99.1%	3,874,153	943,292	25.0%	3,775,439	
General Services	2,736,773	682,131	24.9%	2,705,000	98.8%	2,721,385	643,513	23.6%	2,723,331	
Police	60,068,278	14,626,653	24.4%	58,866,912	98.0%	57,512,272	14,760,928	25.9%	56,970,198	
Fire	23,578,541	6,017,005	25.5% (B)	23,578,541	100.0%	24,135,753	6,515,060	26.8%	24,305,378	
Public Works	7,212,115	1,563,961	21.7%	6,887,570	95.5%	7,115,462	1,735,090	27.0%	6,427,960	
Community Services	10,479,130	2,477,934	23.6%	10,479,130	100.0%	10,260,329	2,639,971	25.8%	10,232,559	
Non-Departmental (1001 only):										
Non-Departmental	548,827	41,084	7.5%	117,050	21.3%	1,204,011	30,083	35.1%	85,621	
Community Improvements	10,000	-	0.0%	-	0.0%	10,000	-	N/A	-	
HIP	-	-	N/A	-	N/A	15,000	-	N/A	-	
Total General Fund	125,182,926	30,390,570	24.3%	122,940,912	98.2%	124,276,780	31,686,545	26.0%	121,675,405	
Fleet Svcs	3,105,109	730,972	23.5%	3,070,500	98.9%	3,095,127	757,852	24.9%	3,040,892	
Self - Insurance	765,800	170,212	22.2%	680,848	88.9%	742,000	187,291	26.6%	704,921	
Total Internal Service	3,870,909	901,184	23.3%	3,751,348	97%	3,837,127	945,143	25.2%	3,745,813	
Airport	1,546,759	359,160	23.2%	1,532,743	99.1%	1,712,083	357,886	22.6%	1,583,428	
Transit	14,022,582	2,967,455	21.2%	11,869,820	84.6%	12,981,916	2,966,806	24.7%	12,032,672	
Water	5,321,812	1,140,153	21.4%	4,892,442	91.9%	4,946,870	1,113,187	24.5%	4,551,034	
Emergency Medical Services	9,739,677	2,332,755	24.0%	9,500,000	97.5%	9,366,907	2,194,672	23.5%	9,330,956	
Sanitation	4,934,024	1,141,204	23.1%	4,700,813	95.3%	4,693,561	1,122,019	24.0%	4,670,393	
Cultural Arts	1,487,265	358,256	24.1%	1,487,265	100.0%	1,549,664	376,745	25.0%	1,506,095	
Sewer	957,061	238,026	24.9%	949,183	99.2%	917,012	211,762	24.1%	877,364	
Parks & Recreation	5,297,297	1,380,601	26.1%	5,285,997	99.8%	5,114,997	1,485,447	28.9%	5,146,478	
Total Enterprise	43,306,477	9,917,610	22.9%	40,218,263	92.9%	41,283,010	9,828,524	24.8%	39,698,420	
Section 8 Rental Assistance	531,600	131,750	24.8%	531,600	100.0%	528,100	119,754	24.3%	492,111	
Rehab Loan Program (HCD)	-	-	N/A	-	N/A	4,100	-	N/A	-	
Redevelopment Agency	272,650	47,182	17.3%	213,400	78.3%	306,250	65,922	27.8%	237,103	
Cable & Comm Relations	901,022	208,632	23.2%	901,022	100.0%	941,464	218,101	23.2%	941,558	
Cable Public Edu Gov Access	-	-	N/A	-	N/A	-	-	N/A	-	
Cable TV Public Access	306,311	76,873	25.1%	306,311	100.0%	309,326	85,949	27.8%	309,327	
Air Quality Mgmt District	42,680	8,820	20.7%	42,680	100.0%	50,200	11,388	26.6%	42,807	
Animal Control Fund	343,600	60,208	17.5%	300,000	87.3%	341,400	86,252	28.1%	307,475	
Van Pool/Ride Share	72,570	20,160	27.8%	72,570	100.0%	70,741	-	0.0%	49,562	
Street Lighting District	670,766	100,705	15.0%	550,000	82.0%	604,029	99,396	24.5%	404,957	
Total External Funds	3,141,199	654,330	20.8%	2,917,583	92.9%	3,155,610	686,762	24.7%	2,784,900	
GRAND TOTAL	\$ 175,501,511	\$ 41,863,694	23.9%	\$ 169,828,106	96.8%	\$ 172,552,527	\$ 43,146,974	25.7%	\$ 167,904,538	

(A) Budget includes 8.5 full time equivalents (FTE) while actuals reflect 9 FTE's. \$32,500 is reserved in the non-departmental budget to offset the budget shortfall at year-end.

(B) Qualified Relief has exceeded budget due to vacancies and constant staffing policies.

Footnotes for Internal, Enterprise and External Funds are listed separately on the fund's financial statement.

EXPENDITURES DETAIL BY FUND - BUDGET TO ACTUAL-ALL FUNDS WITH ANNUALLY ADOPTED BUDGETS
MATERIALS, SERVICES AND OTHER EXPENDITURES
FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED

Schedule B-2

	FY 11-12							FY 10-11				
	MATERIALS, SERVICES, OTHERS							MATERIALS, SERVICES, OTHERS				
	REVISED BUDGET	ACTUAL EXP WITHOUT ENC	ACTUAL REIMB	ACTUAL EXPENSE NET OF REIMB	% OF BUDGET TO ACTUAL W/O ENC	PROJECTED ACTUALS 6/30/12	% OF BUDGET PROJ TO ACTUAL	REVISED BUDGET	EXPENDITURES WITHOUT ENCUMBRANCES	% OF ACTUAL To ACTUAL W/O ENC	ANNUAL EXPEND WITHOUT ENCUMBR	
GENERAL FUND												
BY DEPARTMENT:												
Council/Commissions	\$ 496,219	\$ 167,838		\$ 167,838	(A)	33.8%	481,219	97.0%	\$ 364,485	\$ 92,277	30.0%	\$ 307,918
City Manager	806,065	103,805		103,805		12.9%	691,422	85.8%	843,283	118,493	17.4%	680,661
City Attorney	423,118	62,983		62,983		14.9%	349,628	82.6%	442,228	47,766	15.3%	312,442
City Clerk	241,558	55,641	(42,927)	12,714		5.3%	221,507	91.7%	220,126	49,101	26.3%	187,031
City Treasurer	206,786	38,802		38,802		18.8%	186,575	90.2%	208,451	28,458	17.0%	167,738
Finance	592,782	122,700		122,700		20.7%	585,705	98.8%	570,737	122,159	26.0%	469,110
Human Resources	804,009	94,096	(2,500)	91,596		11.4%	569,238	70.8%	742,137	86,520	16.5%	525,845
Civil Service	139,640	31,983	-	31,983		22.9%	126,762	90.8%	107,263	26,103	38.9%	67,156
Community Development	1,138,924	202,960	-	202,960		17.8%	1,025,032	90.0%	940,908	192,027	21.3%	901,203
Comm & Info Tech	820,797	455,255	(222,511)	232,744	(B)	28.4%	693,640	84.5%	782,703	221,225	33.4%	661,730
General Services	1,326,473	396,358	(260,640)	135,718		10.2%	996,682	75.1%	1,210,936	106,081	12.1%	878,976
Police	5,360,776	1,139,620	(7,000)	1,132,620		21.1%	5,113,856	95.4%	5,160,669	1,223,533	24.6%	4,964,909
Fire	1,895,047	500,646	(70,192)	430,454		22.7%	1,847,005	97.5%	2,029,623	513,044	28.6%	1,793,209
Public Works	4,647,174	1,064,785	(120,293)	944,492		20.3%	4,182,457	90.0%	4,974,726	972,347	23.2%	4,194,244
Community Services	3,573,890	932,742	(42,658)	890,084		24.9%	3,395,196	95.0%	4,073,084	1,076,343	27.8%	3,878,385
Non-Departmental (1001 only):												
Insurance	25,000	3,677	-	3,677		14.7%	25,000	100.0%	25,000	1,258	9.2%	13,691
Hazardous Waste	-	-	-	-		N/A	-	N/A	-	-	N/A	-
Community Promotion	319,622	54,000	-	54,000		16.9%	319,622	100.0%	178,622	70,263	40.4%	173,944
Non-Departmental	2,953,060	63,189	(1,938)	61,251		2.1%	2,953,060	100.0%	2,486,007	310,500	20.5%	1,514,073
Leaseback	4,127,104	639,483	-	639,483		15.5%	4,127,104	100.0%	4,095,670	671,955	16.5%	4,081,915
Community Improvements	130,000	4,000	-	4,000		3.1%	130,000	100.0%	130,000	4,000	13.9%	28,765
Indirect Costs Reim.	(5,228,875)	(1,144,824)	-	(1,144,824)		21.9%	(4,579,296)	87.6%	(5,036,212)	(1,114,550)	24.4%	(4,562,099)
Transfers	17,527,822	3,859,493	-	3,859,493		22.0%	17,527,822	100.0%	20,896,082	6,862,536	34.5%	19,912,587
HIP	-	-	-	-		N/A	-	N/A	10,000	-	N/A	-
Total General Fund	42,326,991	8,849,232	(770,659)	8,078,573		19.1%	40,969,236	96.8%	\$45,456,528	11,681,439	28.4%	41,153,433
Fleet Svcs	2,789,459	590,133	-	590,133		21.2%	2,521,700	90.4%	2,871,345	705,506	28.2%	2,504,774
Self - Insurance	3,510,144	1,172,278	-	1,172,278		33.4%	3,455,166	98.4%	4,378,798	1,163,612	20.1%	5,783,703
Total Internal Service	6,299,603	1,762,411	-	1,762,411		28.0%	5,976,866	94.9%	7,250,143	1,869,118	22.6%	8,288,477
Airport	10,196,411	2,502,684	-	2,502,684		24.5%	10,096,258	99.0%	9,928,443	2,411,154	24.8%	9,709,028
Transit	11,030,044	2,323,203	-	2,323,203		21.1%	9,984,465	90.5%	10,546,357	2,188,972	22.1%	9,908,115
Water	26,378,829	6,480,728	-	6,480,728		24.6%	26,163,589	99.2%	25,736,779	6,562,652	26.6%	24,652,261
Emergency Medical Services	948,722	116,283	-	116,283		12.3%	895,235	94.4%	917,619	88,774	9.5%	935,190
Sanitation	7,595,177	1,392,782	(1,090)	1,391,692		18.3%	7,136,784	94.0%	7,826,108	1,499,350	20.1%	7,465,248
Cultural Arts	674,620	158,605	-	158,605		23.5%	578,771	85.8%	789,921	255,295	40.5%	630,495
Sewer	2,092,917	932,655	-	932,655		44.6%	2,034,130	97.2%	1,755,088	364,139	22.2%	1,642,095
Parks & Recreation	3,205,101	772,659	-	772,659		24.1%	2,772,586	86.5%	3,199,816	824,112	29.1%	2,829,577
Total Enterprise	62,121,821	14,679,599	(1,090)	14,678,509		23.6%	59,661,818	96.0%	60,700,131	14,194,448	24.6%	57,772,009
Section 8 Rental Assistance	6,381,961	1,536,003	-	1,536,003		24.1%	6,309,600	98.9%	6,277,420	1,557,430	25.6%	6,076,746
Rehab Loan Program (HCD)	-	-	-	-		N/A	-	N/A	200	-	N/A	-
Redevelopment Agency	13,007,494	3,072,803	-	3,072,803		23.6%	12,725,189	97.8%	16,811,220	3,286,425	21.4%	15,371,843
Cable & Comm Relations	777,720	217,391	(5,550)	211,841		27.2%	777,720	100.0%	658,982	177,506	26.9%	658,692
Cable Public Edu Gov Access	-	-	-	-		N/A	-	N/A	-	-	N/A	-
Cable TV Public Access	112,730	17,245	-	17,245		15.3%	112,730	100.0%	109,130	36,947	33.9%	109,129
Air Quality Mgmt District	146,382	18,365	-	18,365		12.5%	127,720	87.3%	146,382	24,990	20.9%	119,707
Animal Control Fund	122,367	11,141	-	11,141		9.1%	99,367	81.2%	120,466	13,413	13.7%	97,927
Van Pool/Ride Share	189,360	40,914	-	40,914		21.6%	187,360	98.9%	194,359	63,399	41.8%	151,519
Gas Tax (Transfers Only)	1,040,000	261,040	-	261,040		25.1%	1,040,000	100.0%	1,040,000	210,000	20.2%	1,040,000
Street Lighting District	2,509,435	397,449	-	397,449		15.8%	2,350,000	93.6%	2,581,448	360,694	16.2%	2,223,985
Torrance Pub Fin Auth Debt Svc	4,571,180	787,459	-	787,459		17.2%	4,571,180	100.0%	4,576,230	785,559	17.2%	4,576,230
Total External Funds	28,858,629	6,359,810	(5,550)	6,354,260		22.0%	28,300,866	98.1%	32,515,837	6,516,363	21.4%	30,425,778
GRAND TOTAL	\$ 139,607,044	\$ 31,651,052	\$ (777,299)	\$ 30,873,753		22.1%	\$ 134,908,786	96.6%	\$ 145,922,639	\$ 34,261,368	24.9%	\$ 137,639,697

(A) Annual membership dues are expensed in July.

(B) Various annual software maintenance and support invoices were paid in the first quarter.

Footnotes for Internal, Enterprise and External Funds are listed separately on the fund's financial statement.

Schedule B-3

EXPENDITURES SUMMARY - BUDGET TO ACTUAL - GENERAL FUND (1001) BY CHARACTER FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED

	Revised Budget FY 11-12	EXPENDITURES WITHOUT ENCUMBRANCES	% OF ANNUAL BUDGET TO ACTUAL WITHOUT ENC.	ENCUMB.	% OF ANNUAL BUDGET TO ACTUAL WITH ENC.
Salaries and Benefits	\$ 135,107,421	\$ 32,466,021	24.0%	\$ -	24.0%
Salaries and Benefits Reimb	(9,924,495)	(2,075,451)	20.9%	-	20.9%
Subtotal Salaries and Benefits	125,182,926	30,390,570	24.3%	-	24.3%
Materials and Supplies	11,858,700	2,434,513	20.5%	2,762,732	43.8%
Senior Mobile Home Subsidy	88,700	14,200	16.0%	-	16.0%
Prof Services/Contracts/Utilities	8,537,161	1,135,984	13.3%	1,214,976	27.5%
Travel, Training & Membership Dues	990,118	179,937	18.2%	126,403	30.9%
Depreciation and Amortization	2,280	2,280	100.0%	-	100.0%
Liabilities and Other Insurance	1,619,386	257,869	15.9%	69,826	20.2%
Interdepartmental Charges	3,918,900	979,767	25.0%	-	25.0%
Debt Service	5,319,726	695,272	13.1%	-	13.1%
Capital Acquisition	290,144	18,393	6.3%	5,328	8.2%
Reimb from Other Funds	(3,268,750)	(770,659)	23.6%	-	23.6%
Other Expenditures	109,440	12,166	11.1%	-	11.1%
Reimb - Indirect Costs	(5,228,875)	(1,144,824)	21.9%	-	21.9%
Operating Transfers Out	18,090,061	4,263,675	23.6%	-	23.6%
Subtotal Materials, Supplies, & Services	42,326,991	8,078,573	19.1%	4,179,265	29.0%
Total General Fund - 1001	167,509,917	38,469,143	23.0%	4,179,265	25.5%

Schedule B-4

ADOPTED BUDGET AND AMENDMENTS BY FUND FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED

	ANNUAL ADOPTED BUDGET FY 11-12	PRIOR YEAR ENCUMBRANCE BUDGET	ANNUAL BUDGET AMENDMENTS FY 11-12	ANNUAL AMENDED BUDGET FY 11-12
GENERAL FUND				
BY DEPARTMENT:				
Council/Commissions	\$587,319	\$ -	\$ 3,000	\$ 590,319
City Manager	2,581,958	16,517	137,029	2,735,504
City Attorney	2,153,122	-	-	2,153,122
City Clerk	1,016,320	19,383	13,699	1,049,402
City Treasurer	926,449	-	-	926,449
Finance	4,020,376	50,000	-	4,070,376
Human Resources	2,500,053	5,000	-	2,505,053
Civil Service	476,958	-	-	476,958
Community Development	7,146,630	3,205	88,700	7,238,535
Comm & Info Tech	4,437,684	-	35,758	4,473,442
General Services	4,051,306	11,940	-	4,063,246
Police	65,371,391	34,163	23,500	65,429,054
Fire	25,462,031	1,557	10,000	25,473,588
Public Works	11,743,557	124,240	(8,508)	11,859,289
Community Services	14,047,029	4,941	1,050	14,053,020
Non-Departmental (1001 only):				
Insurance	25,000	-	-	25,000
Hazardous Waste	-	-	-	-
Community Promotion	319,622	-	-	319,622
Non-Departmental	3,077,423	-	424,464 (A)	3,501,887
Leaseback	4,127,104	-	-	4,127,104
Community Improvements	140,000	-	-	140,000
Indirect Costs Reim.	(5,228,875)	-	-	(5,228,875)
Transfers	17,527,822	-	-	17,527,822
HIP	-	-	-	-
Total General Fund	166,510,279	270,946	728,692	167,509,917
Fleet Svcs				
Fleet Svcs	5,890,396	135,525	(131,353)	5,894,568
Self - Insurance	3,995,874	90,070	190,000	4,275,944
Total Internal Service	9,886,270	225,595	58,647	10,170,512
Airport				
Airport	11,657,158	2,369	83,643	11,743,170
Transit	25,051,739	887	-	25,052,626
Water	31,535,731	34,970	129,940	31,700,641
Emergency Medical Services	10,685,199	-	3,200	10,688,399
Sanitation	12,225,490	255,786	47,925	12,529,201
Cultural Arts	2,161,885	-	-	2,161,885
Sewer	2,465,020	-	584,958 (B)	3,049,978
Parks & Recreation	8,502,398	-	-	8,502,398
Total Enterprise	104,284,620	294,012	849,666	105,428,298
Section 8 Rental Assistance				
Section 8 Rental Assistance	6,913,561	-	-	6,913,561
Rehab Loan Program (HCD)	-	-	-	-
Redevelopment Agency	13,280,144	-	-	13,280,144
Cable & Comm Relations	1,641,796	1,539	35,407	1,678,742
Cable Public Edu Gov Access	-	-	-	-
Cable TV Public Access	418,271	770	-	419,041
Air Quality Mgmt District	189,062	-	-	189,062
Animal Control Fund	465,967	-	-	465,967
Van Pool/Ride Share	261,930	-	-	261,930
Gas Tax (Transfers Only)	-	-	1,040,000 (C)	1,040,000
Street Lighting District	3,180,201	-	-	3,180,201
Torr Public Financing Auth Debt Svc	4,571,180	-	-	4,571,180
Total External Funds	30,922,112	2,309	1,075,407	31,999,828
GRAND TOTAL	\$ 311,603,281	\$ 792,862	\$ 2,712,412	\$ 315,108,555

(A) Includes almost \$400,000 for TRAN related interest and other costs.

(B) Council approved appropriations for the Machado Lake watershed best management practices, the purchase of a truck fueled with CNG and the Madrona Marsh restoration.

(C) Adopted budget for FY 2011/12.

Schedule C

INTERNAL SERVICE & ENTERPRISE FUND REVENUE SUMMARY-BUDGET TO ACTUAL FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED

	FY 11-12							FY 10-11			
	Revised Budget	Budgeted Use of Fund Bal	Total Budget	Year-To-Date Actual	% of Budget to Actual	Projected 06/30/2012	% of Budget to Proj Actual	Revised Budget	Year-To-Date Actual	% of Actual to Actual	Annual Actual
Fleet Services	\$ 5,968,483	\$ -	\$ 5,968,483	\$ 1,695,712	28.4 %	\$ 6,295,171	105.5 %	\$ 6,331,625	\$ 1,643,392	25.4 %	\$ 6,476,351
Self-Insurance	3,556,277	-	3,556,277	903,003	25.4 %	3,567,637	100.3 %	3,556,277	1,151,641	30.9 %	3,724,171
Total Internal Service	9,524,760	-	9,524,760	2,598,715	27.3 %	9,862,808	103.5 %	9,887,902	2,795,033	27.4 %	10,200,522
Airport	11,405,100	338,070	11,743,170	2,861,844	24.4 %	11,629,001	99.0 %	11,640,526	2,769,041	24.5 %	11,292,456
Transit	23,521,761	-	23,521,761	4,699,869	20.0 %	23,286,582	99.0 %	21,252,432	6,091,158	28.1 %	21,646,914
Water	32,976,055	-	32,976,055	9,270,919	28.1 %	32,658,880	99.0 %	30,683,649	7,693,839	25.4 %	30,295,271
Emergency Medical Svcs	10,685,199	3,200	10,688,399	2,449,038	22.9 %	10,395,235	97.3 %	10,264,527	2,283,446	22.2 %	10,266,145
Sanitation	10,834,620	1,100,858	11,935,478	2,878,191	24.1 %	12,165,830	101.9 %	12,519,670	2,621,370	21.6 %	12,135,642
Cultural Arts	1,984,117	177,768	2,161,885	472,222	21.8 %	2,066,036	95.6 %	2,339,585	545,091	25.5 %	2,136,590
Sewer	1,730,500	1,319,478	3,049,978	1,170,681	38.4 %	2,983,313	97.8 %	2,672,100	575,900	25.2 %	2,287,831
Parks & Recreation	9,199,304	-	9,199,304	2,606,962	28.3 %	8,620,511	93.7 %	8,095,784	2,636,850	35.4 %	7,447,316
Total Enterprise	\$ 102,336,656	\$ 2,939,374	\$ 105,276,030	\$ 26,409,726	25.1 %	\$ 103,805,388	98.6 %	\$ 99,488,273	\$ 25,216,695	25.9 %	\$ 97,508,165

NOTE: BUDGET TO ACTUAL VARIANCES CAN BE FOUND ON SUBSEQUENT FINANCIAL STATEMENTS.

Schedule D

FLEET SERVICES - COMBINED**BALANCE SHEET
SEPTEMBER 30, 2011**

	<i>Fund 7201 Operations and Maintenance September 30, 2011</i>	<i>Fund 7202 Vehicle Replacement September 30, 2011</i>	<i>Fund 7204 Shop Equipment Replacement September 30, 2011</i>	<i>Total</i>
ASSETS				
Pooled cash and investments	\$ (808,671)	\$ 14,670,572	\$ 144,811	\$ 14,006,712
Accounts receivable	864	-	-	864
Accrued interest receivable	-	49,052	-	49,052
Inventories	1,081,636	-	-	1,081,636
Total Current Assets	273,829	14,719,624	144,811	15,138,264
Property, plant and equipment, net	-	9,051,846	7,088	9,058,934
Total Assets	\$ 273,829	\$ 23,771,470	\$ 151,899	\$ 24,197,198
LIABILITIES AND FUND EQUITY				
Current Liabilities				
Accounts payable	\$ 51,107	\$ -	\$ -	\$ 51,107
Accrued salaries and benefits	398,956	-	-	398,956
Total Liabilities	450,063	-	-	450,063
Fund Equity (Deficit)				
Retained earnings - reserved		23,771,470	-	23,771,470
Retained earnings (deficit) - unreserved	(176,234)	-	151,899.00	(24,335)
Total Liabilities and Fund Equity (Deficit)	\$ 273,829	\$ 23,771,470	\$ 151,899	\$ 24,197,198

Schedule D-1

FLEET SERVICES - COMBINED FUNDS

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED

	FY 2012 Annual Budget	Year-To-Date Actual Without Enc.	Budget % Without Enc.	Projected Actual at 6/30/2012	FY 2011 Annual Budget	FY 2011 Year-To-Date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
OPERATING REVENUES								
Rental Income	\$ 7,020	\$ 256 (A)	3.6%	\$ 2,000	7,020	\$ 506	19.8%	\$ 2,560
Charges for services	5,039,328	1,397,254 (B)	27.7%	5,400,500	5,123,328	1,370,400	24.6%	5,577,972
Total Operating Revenues	5,046,348	1,397,510	27.7%	5,402,500	5,130,348	1,370,906	24.6%	5,580,532
OPERATING EXPENSES:								
Salaries and employee benefits	3,105,109	730,972 (C)	23.5%	3,070,500	3,095,127	757,852	24.9%	3,040,892
Materials and supplies	357,650	98,068 (D)	27.4%	357,650	415,488	73,839	18.8%	393,247
Other Professional Services	62,016	41,322 (E)	66.6%	60,000	69,516	40,738	75.2%	54,202
Depreciation	2,200,000	409,414 (H)	18.6%	1,950,000	2,200,000	535,976	28.2%	1,901,711
Interdepartmental charges	114,497	28,623	25.0%	114,497	113,520	28,374	25.0%	113,520
Liability and claims	23,943	1,890 (F)	7.9%	18,500	23,943	1,890	25.0%	7,555
Other	20,300	3,380 (G)	16.7%	10,000	20,300	1,623	27.2%	5,961
Total Operating Expenses	5,883,515	1,313,669	22.3%	5,581,147	5,937,894	1,440,292	26.1%	5,517,088
OPERATING INCOME (LOSS)	(837,167)	83,841	110.0%	(178,647)	(807,546)	(69,386)	-209.4%	63,444
NON-OPERATING REVENUES (LOSS)								
Interest income - Operations	254,000	60,427	23.8%	245,000	450,000	65,187	37.8%	172,424
Gain from sale of fixed assets	80,464	-	0.0%	60,000	80,464	-	0.0%	52,582
(Loss) from sale of fixed assets	-	-	N/A	-	-	-	N/A	-
Miscellaneous revenues	-	-	N/A	-	-	16,025	N/A	-
Total Non-Operating Revenues (Loss)	334,464	60,427	18.1%	305,000	530,464	81,212	36.1%	225,006
Income (Loss) before transfers	(502,703)	144,268	128.7%	126,353	(277,082)	11,826	4.1%	288,450
TRANSFERS IN	587,671	237,775	40.5%	587,671	670,813	191,274	28.5%	670,813
TRANSFERS OUT	(11,053)	(7,436)	67.3%	(11,053)	(28,578)	(23,066)	80.7%	(28,578)
NET INCOME (LOSS) BEFORE VEHICLE ACQUISITIONS	73,915	374,607	506.8%	702,971	365,153	180,034	19.3%	930,685
VEHICLE ACQUISITIONS	(3,796,854)	(484,968) (I)	12.8%	(3,796,854)	(3,043,268)	(254,620)	22.6%	(1,128,275)
ADD: DEPRECIATION	2,200,000	409,414	18.6%	1,950,000	1,950,000	535,976	28.2%	1,901,711
CHANGE IN CASH AVAILABLE AFTER VEHICLE ACQUISITIONS AND ADDITION OF DEPRECIATION	\$ (1,522,939)	\$ 299,053	119.6%	\$ (1,143,883)	(728,115)	461,390	27.1%	1,704,121
FUEL AND PARTS INVENTORY								
Parts Inventory Purchases	\$ 1,170,000	\$ 225,564 (J)	19.3%	\$ 1,300,000	1,189,621	\$ 228,916	17.2%	\$ 1,329,045
Fuel Inventory Purchases	1,600,000	269,649 (K)	16.9%	1,250,000	1,600,000	285,048	21.9%	1,302,275
Total Parts & Fuel Inventory Purchases	\$ 2,770,000	\$ 495,213	17.9%	\$ 2,550,000	2,789,621	\$ 513,964	19.5%	\$ 2,631,320

- (A) Rental income revenues are lower due to a less than anticipated amount of fleet pool usage.
- (B) Charges for services include vehicle replacement charges to various departments which are higher due to higher priced vehicle acquisitions.
- (C) Vacancies include two (2) Senior Mechanic positions. One position is being filled by a Temporary Appointment. Request for examination has been submitted to HR. Written examination for applicants is expected to be scheduled in November 2011.
- (D) Materials and supplies are expected to be in line with budget by fiscal year end.
- (E) Includes September 2011 payment of \$35,500 to AssetWorks for Fleet Focus server hosting and maintenance support for 8/1/11-7/31/12.
- (F) There were no claims for liability above \$50,000 as of September 2011.
- (G) Out-of-town travel and local meetings are expended on as needed basis.
- (H) Depreciation is underspent as of September 2011 as more vehicles are fully depreciated.
- (I) Budget percent is 67.2% if \$2,065,248 vehicle acquisition encumbrance is included in the actuals total.
- (J) Vehicle parts are purchased on as needed basis.
- (K) Fuel deliveries in FY 2011-12 have decreased due to the switch to compressed natural gas (cng) for the newer heavy-duty vehicles.

FLEET SERVICES FUND - COMBINED
STATEMENT OF CASH FLOWS
FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011

Cash flows from operating activities

Operating income (loss)	\$83,841
Adjustments to reconcile operating income (loss) to net cash provided by operating activities	
Depreciation and amortization	409,414
Decrease (Increase) in accounts receivable	11,333
Decrease (Increase) in inventory	93,187
(Decrease) Increase in accounts payable	(287,629)
	<hr/>

Net cash provided by operating activities \$310,146

Cash flows from capital and related financing activities

Capital expenditures	(484,968)
Proceeds from sale of fixed assets	-
	<hr/>

Net cash used by capital and related financing activities (484,968)

Cash flows from noncapital financing activities

Operating transfers in	237,775
Operating transfers out	(7,436)
	<hr/>

Net cash provided by noncapital financing activities 230,339

Cash flows from investing activities

Interest on investments	60,427
	<hr/>

Net cash provided by investing activities

60,427

Net change in cash 115,944

Cash, and cash equivalents, July 1, 2011

13,890,768

Cash and cash equivalents, September 30, 2011

\$14,006,712

FLEET - OPERATIONS AND MAINTENANCE**STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL
FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED**

	FY 2012 Annual Budget	Year-To-Date Actual Without Enc.	Budget % Without Enc.	Projected Actual at 6/30/2012	FY 2011 Annual Budget	FY 2011 Year-To-Date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
OPERATING REVENUES								
Rental Income	\$ 7,020	\$ 256 (A)	3.6%	\$ 2,000	\$ 7,020	\$ 506	19.8%	2,560
Charges for services	2,634,800	687,041	26.1%	2,850,500	2,718,800	680,223	24.2%	2,806,784
Total Operating Revenues	2,641,820	687,297	26.0%	2,852,500	2,725,820	680,729	24.2%	2,809,344
OPERATING EXPENSES:								
Salaries and employee benefits	3,105,109	730,972 (B)	23.5%	3,070,500	3,095,127	757,852	24.9%	3,040,892
Materials and supplies	357,650	98,068 (C)	27.4%	357,650	415,488	73,839	18.8%	393,247
Depreciation	-	-	N/A	-	-	-	N/A	-
Professional Services	62,016	41,322 (D)	66.6%	60,000	69,516	40,738	75.2%	54,202
Interdepartmental charges	114,497	28,623	25.0%	114,497	113,520	28,374	25.0%	113,520
Liability and claims	23,943	1,890 (E)	7.9%	18,500	23,943	1,890	25.0%	7,555
Other	20,300	3,380 (F)	16.7%	10,000	20,300	1,623	27.2%	5,961
Total Operating Expenses	3,683,515	904,255	24.5%	3,631,147	3,737,894	904,316	25.0%	3,615,377
Income (Loss) before transfers	(1,041,695)	(216,958)	20.8%	(778,647)	(1,012,074)	(223,587)	22.1%	(806,033)
TRANSFERS IN	467,776	117,880	25.2%	467,776	567,726	143,067	25.2%	567,726
TRANSFERS OUT	(11,053)	(7,436)	67.3%	(11,053)	(28,578)	(23,066)	80.7%	(28,578)
NET INCOME (LOSS) AFTER TRANSFERS	\$ (584,972)	\$ (106,514)	18.2%	\$ (321,924)	\$ (472,926)	\$ (103,586)	38.8%	\$ (266,885)
FUEL AND PARTS INVENTORY								
Parts Inventory Purchases	\$ 1,170,000	\$ 225,564 (G)	19.3%	\$ 1,300,000	\$ 1,189,621	\$ 228,916	17.2%	1,329,045
Fuel Inventory Purchases	1,600,000	269,649 (H)	16.9%	1,250,000	1,600,000	285,048	21.9%	1,302,275
Total Parts & Fuel Inventory Purchases	\$ 2,770,000	\$ 495,213	17.9%	\$ 2,550,000	\$ 2,789,621	\$ 513,964	19.5%	\$ 2,631,320

(A) Rental income revenues are lower due to a less than anticipated amount of fleet pool usage.

(B) Vacancies include two (2) Senior Mechanic positions. One position is being filled by a Temporary Appointment. Request for examination has been submitted to HR. Written examination for applicants is expected to be scheduled in November 2011.

(C) Materials and supplies are expected to be in line with budget by fiscal year end.

(D) Includes September 2011 payment of \$35,500 to AssetWorks for Fleet Focus server hosting and maintenance support for 8/1/11-7/31/12.

(E) There were no claims for liability above \$50,000 as of September 2011.

(F) Out-of-town travel and local meetings are expended on as needed basis.

(G) Vehicle parts are purchased on as needed basis.

(H) Fuel deliveries in FY 2011-12 have decreased due to the switch to compressed natural gas (cng) for the newer heavy-duty vehicles.

FLEET - OPERATIONS AND MAINTENANCE
STATEMENT OF CASH FLOWS
FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011

Cash flows from operating activities

Operating loss	(\$216,958)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation and amortization	-
Decrease (increase) in accounts receivable	11,333
Decrease in prepayments	-
Decrease (Increase) in inventory	93,187
(Decrease) increase in accounts payable	(220,644)
Increase in accrued liabilities	-
Increase in deferred revenue	-
	<hr/>

Net cash used by operating activities (\$333,082)

Cash flows from noncapital financing activities

Operating transfers in	117,880
Operating transfers out	(7,436)
	<hr/>

Net cash provided by noncapital financing activities

110,444

Net change in cash (222,638)

Cash, and cash equivalents, July 1, 2011

(586,033)

Cash and cash equivalents, September 30, 2011

(\$808,671)

Schedule D-5

FLEET - VEHICLE REPLACEMENT FUND

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL
FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED

	FY 2012 Annual Budget	Year-To-Date Actual Without Enc.	Budget % Without Enc.	Projected Actual at 6/30/2012	FY 2011 Annual Budget	FY 2011 Year-To-Date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
OPERATING REVENUES								
Charges for services	\$ 2,404,528	\$ 710,213 (A)	29.5%	\$ 2,550,000	\$ 2,404,528	\$ 690,177	24.9%	\$ 2,771,188
Total Operating Revenues	2,404,528	710,213	29.5%	2,550,000	2,404,528	690,177	24.9%	2,771,188
OPERATING EXPENSES:								
Depreciation	2,200,000	409,414 (B)	18.6%	1,950,000	2,200,000	535,976	28.2%	1,901,711
Total Operating Expenses	2,200,000	409,414	18.6%	1,950,000	2,200,000	535,976	28.2%	1,901,711
OPERATING INCOME (LOSS)	204,528	300,799	147.1%	600,000	204,528	154,201	75.4%	869,477
NON-OPERATING REVENUES (LOSS)								
Interest income - Operations	254,000	60,427	23.8%	245,000	450,000	65,187	37.8%	172,424
Gain from sale of fixed assets	80,464	-	0.0%	60,000	80,464	-	0.0%	52,582
(Loss) from sale of fixed assets	-	-	N/A	-	-	-	N/A	-
Miscellaneous Revenues	-	-	N/A	-	-	16,025	N/A	-
Total Non-Operating Revenues (Loss)	334,464	60,427	18.1%	305,000	530,464	81,212	36.1%	225,006
Income (Loss) before transfers	538,992	361,226	67.0%	905,000	734,992	235,413	21.5%	1,094,483
TRANSFERS IN	119,895	119,895	100.0%	119,895	103,087	48,207	46.8%	103,087
TRANSFERS OUT	-	-	N/A	-	-	-	N/A	-
NET INCOME (LOSS) BEFORE VEHICLE ACQUISITIONS	658,887	481,121	73.0%	1,024,895	838,079	283,620	23.7%	1,197,570
VEHICLE ACQUISITIONS	(3,796,854)	(484,968) (C)	12.8%	(3,796,854)	(3,043,268)	(254,620)	22.6%	(1,128,275)
ADD: DEPRECIATION	2,200,000	409,414	18.6%	1,950,000	2,200,000	535,976	28.2%	1,901,711
CHANGE IN CASH AVAILABLE AFTER VEHICLE ACQUISITIONS AND ADDITION OF DEPRECIATION	\$ (937,967)	\$ 405,567	143.2%	\$ (821,959)	\$ (5,189)	\$ 564,976	28.7%	\$ 1,971,006

(A) Charges for services represent vehicle replacement charges to various departments which are higher due to higher priced vehicle acquisitions.

(B) Depreciation is underspent as of September 2011 as more vehicles are fully depreciated.

(C) Budget percent is 67.2% if \$2,065,248 vehicle acquisition encumbrance is included in the actuals total.

FLEET - VEHICLE REPLACEMENT FUND
STATEMENT OF CASH FLOWS
FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011

Cash flows from operating activities

Operating income	\$300,799	
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	409,414	
Decrease in interest receivable	-	
Decrease (Increase) in accounts receivable	-	
(Decrease) in accounts payable	<u>(66,985)</u>	
<i>Net cash provided by operating activities</i>		\$643,228

Cash flows from capital and related financing activities

Capital expenditures	(484,968)	
Miscellaneous revenues	-	
Proceeds from sale of fixed assets	<u>-</u>	
<i>Net cash used by capital and related financing activities</i>		(484,968)

Cash flows from noncapital financing activities

Operating transfers in	<u>119,895</u>	
<i>Net cash provided by noncapital financing activities</i>		119,895

Cash flows from investing activities

Interest on investments	<u>60,427</u>	
<i>Net cash provided by investing activities</i>		<u>60,427</u>
<i>Net change in cash</i>		338,582

Cash, and cash equivalents, July 1, 2011	<u>14,331,990</u>
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Cash and cash equivalents, September 30, 2011	<u><u>\$14,670,572</u></u>
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Schedule D-7

FLEET - SHOP EQUIPMENT REPLACEMENT FUND

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL
FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED

	FY 2012 Annual Budget	Year-To-Date Actual Without Enc.	Budget % Without Enc.	Projected Actual at 6/30/2012	FY 2011 Annual Budget	2011 Year-To-Date Actual Without Enc.	2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
OPERATING REVENUES								
Charges for services	\$ -	\$ -	N/A	\$ -	-	\$ -	N/A	\$ -
Total Operating Revenues	-	-	N/A	-	-	-	N/A	-
OPERATING EXPENSES:								
Depreciation	-	-	N/A	-	-	-	N/A	-
Total Operating Expenses	-	-	N/A	-	-	-	N/A	-
OPERATING INCOME (LOSS)	-	-	N/A	-	-	-	N/A	-
NET INCOME (LOSS) BEFORE SHOP EQUIPMENT ACQUISITIONS	-	-	N/A	-	-	-	N/A	-
SHOP EQUIPMENT ACQUISITIONS	-	-	N/A	-	-	-	N/A	-
ADD: DEPRECIATION	-	-	N/A	-	-	-	N/A	-
CHANGE IN CASH AVAILABLE AFTER VEHICLE ACQUISITIONS AND ADDITION OF DEPRECIATION	\$ -	\$ -	N/A	\$ -	\$ -	\$ -	N/A	\$ -

FLEET - SHOP EQUIPMENT REPLACEMENT FUND
STATEMENT OF CASH FLOWS
FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011

Cash flows from operating activities

Operating income	\$	-
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization		-
Decrease in accounts receivable		-
(Decrease) in accounts payable		-
(Decrease) in accrued liabilities		-
Increase in deferred revenue		-
		<hr/>
<i>Net cash provided by operating activities</i>	\$	-

Cash flows from capital and related financing activities

Capital project cash transfer	-
Capital expenditures	-
	<hr/>
<i>Net cash used by capital and related financing activities</i>	-

Cash flows from noncapital financing activities

Operating transfers in	-
Operating transfers out	-
	<hr/>
<i>Net cash provided by noncapital financing activities</i>	-

Cash flows from investing activities

Interest on investments	-
(Increase) in interest receivable	-
	<hr/>
<i>Net cash provided by investing activities</i>	-

Net change in cash

-

Cash, and cash equivalents, July 1, 2011

144,811**Cash and cash equivalents, September 30, 2011**

\$ 144,811

SELF-INSURANCE FUND**BALANCE SHEET
SEPTEMBER 30, 2011**

	<u>September 30, 2011</u>
ASSETS	
Pooled Cash and Investments	\$ 7,851,540
Restricted cash	5,219
Total Assets	\$ 7,856,759
 LIABILITIES AND FUND EQUITY	
Liabilities	
Accounts Payable	\$ 17,462
Accrued-Workers Compensation Claims-Long Term	21,601,994
Accrued-Liability Claims-Long Term	4,801,753
Total Liabilities	26,421,209
 Fund Equity (Deficit)	
Retained Earnings (Deficit)	(18,564,450)
Total Fund Equity (Deficit)	(18,564,450)
Total Liabilities and Fund Equity (Deficit)	\$ 7,856,759

Schedule E-1

SELF-INSURANCE FUND

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL FOR THREE MONTHS ENDED SEPTEMBER 30, 2011 - 25.1% EXPIRED

	FY 2012 Annual Budget	FY 2012 Year-To-date Actual Without Enc.	FY 2012 Budget % Without Enc.	Projected Actual 6/30/2012	FY 2011 Annual Budget	FY 2011 Year-to-date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
OPERATING REVENUES								
Charges for services	\$ 2,392,777	\$610,964	25.5%	\$2,404,137	\$2,392,777	\$720,721	28.1%	\$2,560,671
Total Operating Revenues	2,392,777	610,964	25.5%	2,404,137	2,392,777	720,721	28.1%	2,560,671
OPERATING EXPENSES:								
Salaries and employee benefits	765,800	170,212	22.2%	680,848	742,000	187,291	26.6%	704,921
Services and supplies	20,995	3,316	15.8%	14,500	20,995	1,388	10.1%	13,692
Other professional services	165,849	46,013 (A)	27.7%	119,666	167,463	22,841	20.4%	112,048
Insurance and claims	3,292,810	1,116,345 (B)	33.9%	3,292,810	4,160,026	1,132,758	20.1%	5,631,078 (E)
Interdepartmental charges	19,617	4,908	25.0%	19,617	18,189	4,551	25.0%	18,189
Other	6,800	175 (C)	2.6%	4,500	6,800	241	7.1%	3,371
Total Operating Expenses	4,271,871	1,340,969	31.4%	4,131,941	5,115,473	1,349,070	20.8%	6,483,299
OPERATING INCOME (LOSS)	(1,879,094)	(730,005)	38.8%	(1,727,804)	(2,722,696)	(628,349)	16.0%	(3,922,628)
OPERATING TRANSFERS IN	1,163,500	292,039	25.1%	1,163,500	1,163,500	430,920	37.0%	1,163,500
OPERATING TRANSFERS (OUT)	(4,073)	(1,520) (D)	37.3%	(4,073)	(5,325)	(1,832)	34.4%	(5,325)
NET INCOME (LOSS)	\$ (719,667)	\$ (439,486)	61.1%	\$ (568,377)	\$ (1,564,521)	\$ (199,261)	7.2%	\$ (2,764,453)

(A) Payment for software claims upgrade, workflow analysis and data conversion and three months of subscription fees.

(B) Annual insurance premiums were paid at the beginning of the fiscal year.

(C) There were no expenses incurred for travel and training during the first quarter.

(D) Annual transfers to Data Communication Replacement Fund was posted at a 100% in the first quarter.

(E) Includes year end adjustment of \$1.5M to the accrued workers compensation and liability claims per the Actuarial Report for June 30, 2011.

SELF-INSURANCE FUND**STATEMENT OF CASH FLOWS
FOR THREE MONTHS ENDED SEPTEMBER 30, 2011****Cash flows from operating activities**

Operating loss	(\$730,005)	
Adjustments to reconcile operating loss to net cash used by operating activities		
Decrease in misc. receivables	1,367	
(Decrease) in accounts payable	(320,847)	
		<u></u>
Net cash used by operating activities		<u>(\$1,049,485)</u>

Cash flows from noncapital financing activities

Operating transfers in	292,039	
Operating transfers out	(1,520)	
		<u></u>
Net cash provided by noncapital financing activities		<u>290,519</u>

Net change in cash		<u>(758,966)</u>
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Cash and cash equivalents, July 1, 2011		<u>8,615,725</u>
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Cash and cash equivalents, September 30, 2011		<u><u>\$7,856,759</u></u>
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Schedule F

AIRPORT FUND**BALANCE SHEET
SEPTEMBER 30, 2011**

	SEPTEMBER 30, 2011
ASSETS	
Pooled Cash and Investments	\$ 5,122,338
Accounts Receivable	2,255
Interest Receivable	19,052
<i>Total Current Assets</i>	5,143,645
Property, Plant and Equipment, net	7,301,421
Total Assets	\$ 12,445,066
LIABILITIES AND FUND EQUITY	
Current Liabilities	
Accounts Payable	\$ 86,283
Deferred Liabilities	130,983
Accrued Liabilities	111,081
<i>Total Current Liabilities</i>	328,347
Total Liabilities	328,347
Fund Equity	
Retained Earnings- Reserved	338,070 (A)
Retained Earnings- Unreserved	11,778,649
Total Fund Equity	12,116,719
Total Liabilities and Fund Equity	\$ 12,445,066

(A) Represents amount used to balance 2011-12 budget

Schedule F-1

AIRPORT FUND - COMBINED STATEMENT OF REVENUE AND EXPENSES - BUDGET TO ACTUAL FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED

	Annual Budget	Year-to-Date Actual Without Enc.	Budget % Without Enc.	Projected Actual 06/30/12	FY 2011 Annual Budget	FY 2011 Year-to-Date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
OPERATING REVENUES								
Leased land area rentals	\$ 8,724,100	\$ 1,971,055	22.6%	\$ 8,724,100	8,597,000	\$ 1,825,582	22.0%	\$ 8,290,601
Hangar and building rentals	2,409,000	606,635	25.2%	2,409,000	2,410,000	587,204	24.3%	2,420,218
Airfield fees and charges	183,000	42,567	23.3%	183,000	199,000	43,454	26.0%	166,917
Other	14,000	3,982	28.4%	14,000	14,000	2,696	14.9%	18,130
Total Operating Revenues	11,330,100	2,624,239	23.2%	11,330,100	11,220,000	2,458,936	22.6%	10,895,866
OPERATING EXPENSES								
Salaries and employee benefits	1,546,759	359,160	23.2%	1,532,743	1,712,083	357,886	22.6%	1,583,428
Materials and supplies	368,694	75,419 (A)	20.5%	331,825	381,997	70,564	22.4%	315,606
Other professional services	447,308	80,847 (A)	18.1%	402,577	410,345	68,307	19.8%	344,538
Depreciation and amortization	320,000	93,665 (B)	29.3%	320,000	310,000	67,636	25.0%	270,217
Insurance and Claims	28,169	10,012 (C)	35.5%	28,169	28,169	10,734	50.5%	21,274
Inter- Departmental charges	798,204	189,543	23.7%	798,204	767,251	180,674	24.1%	749,052
Payment to City in lieu of taxes	300,000	75,299	25.1%	300,000	300,000	63,000	21.0%	300,000
Leased Land Rental	1,600,000	401,594	25.1%	1,600,000	1,600,000	403,199	25.2%	1,600,000
Bad Debt Expense	25,000	4,246 (D)	17.0%	22,500	10,000	581	7.7%	7,526
Other	32,107	1,683 (D)	5.2%	16,054	26,007	2,160	24.6%	8,775
Total Operating Expenses	5,466,241	1,291,468	23.6%	5,352,072	5,545,852	1,224,741	23.6%	5,200,416
OPERATING INCOME (LOSS)	5,863,859	1,332,771	22.7%	5,978,028	5,674,148	1,234,195	21.7%	5,695,450
NON-OPERATING REVENUES								
Interest income - Operations	75,000	24,705	32.9%	100,000	200,000	28,031	42.6%	65,737
Total Non-Operating Revenues	75,000	24,705	32.9%	100,000	200,000	28,031	42.6%	65,737
NON-OPERATING EXPENSES								
Interest expense	102,000	25,602	25.1%	102,000	125,550	31,639	25.2%	125,550
Income (Loss) Before Transfers	5,836,859	1,331,874	22.8%	5,976,028	5,748,598	1,230,587	21.8%	5,635,637
TRANSFERS IN	-	-	N/A	-	-	841	100.0%	841
TRANSFERS OUT	(6,174,929)	(1,544,774)	25.0%	(6,174,929)	(5,969,124)	(1,512,661)	25.4%	(5,966,490)
FROM FUND BALANCE	338,070	212,900	63.0%	198,901	220,526	281,233	85.2%	330,012
NET INCOME (LOSS)	\$ -	\$ -	-	\$ -	\$ -	\$ -	-	\$ -

- (A) Overall Airport materials, supplies and other professional services are expected to be under spent at year-end.
 (B) Depreciation is higher than budget due to the realization of FEAP#449 Airport Hangar Electrical Upgrade as a depreciable asset on June 30th.
 (C) Annual Airport liability insurance premium for \$6,496 resulting in 23.1% of the year to date budget expended.
 (D) The aeronautical budget for bad debts, membership dues, out-of-town travel, and education/training schools are expected to be under spent at year-end.

Schedule F-2

AIRPORT - AERONAUTICAL STATEMENT OF REVENUE AND EXPENSES - BUDGET TO ACTUAL FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED

	Annual Budget	Year-to-Date Actual Without Enc.	Budget % Without Enc.	Projected Actual 06/30/12	FY 2011 Annual Budget	FY 2011 Year-to-Date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
OPERATING REVENUES								
Leased land area rentals	\$ 1,436,100	\$ 387,385	27.0%	\$ 1,436,100	1,413,000	335,460	24.5%	\$ 1,368,716
Hangar and building rentals	2,409,000	606,635	25.2%	2,409,000	2,410,000	587,204	24.3%	2,420,218
Airfield fees and charges	183,000	42,567	23.3%	183,000	199,000	43,454	26.0%	166,917
Other Revenues	14,000	3,982	28.4%	14,000	14,000	2,696	14.9%	18,130
Total Operating Revenues	4,042,100	1,040,569	25.7%	4,042,100	4,036,000	968,814	24.4%	3,973,981
OPERATING EXPENSES								
Salaries and employee benefits	1,401,558	321,523	22.9%	1,387,542	1,467,720	304,232	22.5%	1,350,870
Materials and supplies	368,694	75,419 (A)	20.5%	331,825	381,997	70,564	22.4%	315,606
Other Professional services	338,296	62,650 (A)	18.5%	304,466	301,333	50,037	18.6%	269,238
Depreciation and amortization	320,000	93,665 (B)	29.3%	320,000	310,000	67,636	25.0%	270,217
Insurance and claims	28,169	10,012 (C)	35.5%	28,169	28,169	10,734	50.5%	21,274
Inter-Departmental charges	798,204	189,543	23.7%	798,204	767,251	180,674	24.1%	749,052
Payment to City in lieu of taxes	300,000	75,299	25.1%	300,000	300,000	63,000	21.0%	300,000
Bad Debt Expense	25,000	4,246 (D)	17.0%	22,500	10,000	581	7.7%	7,526
Other	10,500	713 (D)	6.8%	5,250	4,400	438	31.1%	1,410
Total Operating Expenses	3,590,421	833,070	23.2%	3,497,956	3,570,870	747,896	22.8%	3,285,193
OPERATING INCOME (LOSS)	451,679	207,499	45.9%	544,144	465,130	220,918	32.1%	688,788
NON-OPERATING EXPENSES								
Interest expense	102,000	25,602	25.1%	102,000	125,550	31,639	25.2%	125,550
Total Non-Operating Expenses	102,000	25,602	25.1%	102,000	125,550	31,639	25.2%	125,550
Income (Loss) Before Transfers	349,679	181,897	52.0%	442,144	339,580	189,279	33.6%	563,238
TRANSFERS IN	-	-	N/A	-	-	841	100.0%	841
TRANSFERS OUT	(71,181) (E)	(12,755)	17.9%	(71,181)	(14,918)	(12,920)	105.2%	(12,284)
NET INCOME (LOSS)	278,498	169,142	60.7%	370,963	\$ 324,662	\$ 177,200	32.1%	\$ 551,795

- (A) Aeronautical materials, supplies and other professional services are expected to be under spent at year-end.
 (B) Depreciation is higher than budget due to the realization of FEAP#449 Airport Hangar Electrical Upgrade as a depreciable asset on June 30th.
 (C) Annual Airport liability insurance premium for \$6,496 resulting in 23.1% of the year to date budget expended.
 (D) The aeronautical budget for bad debts, membership dues, out-of-town travel, and education/training schools are expected to be under spent at year-end.
 (E) Council item number 8D approved on October 18th for FEAP#763 Airport Hangar Roof in the amount of \$56,925.

Schedule F-3

AIRPORT - NON-AERONAUTICAL STATEMENT OF REVENUE AND EXPENSES - BUDGET TO ACTUAL FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED

	Annual Budget	Year-to-Date Actual Without Enc.	Budget % Without Enc.	Projected Actual 06/30/12	FY 2011 Annual Budget	FY 2011 Year-to-Date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
OPERATING REVENUES								
Leased land area rentals	\$ 7,288,000	\$ 1,583,670 (A)	21.7%	\$ 7,288,000	7,184,000	\$ 1,490,122	21.5%	\$ 6,921,885
Total Operating Revenues	7,288,000	1,583,670	21.7%	7,288,000	7,184,000	1,490,122	21.5%	6,921,885
OPERATING EXPENSES								
Salaries and employee benefits	145,201	37,637	25.9%	145,201	244,363	53,654	23.1%	232,558
Other Professional services	109,012	18,197 (B)	16.7%	98,111	109,012	18,270	24.3%	75,300
Leased Land Rental	1,600,000	401,594	25.1%	1,600,000	1,600,000	403,199	25.2%	1,600,000
Other	21,607	970 (C)	4.5%	10,804	21,607	1,722	23.4%	7,365
Total Operating Expenses	1,875,820	458,398	24.4%	1,854,116	1,974,982	476,845	24.9%	1,915,223
OPERATING INCOME (LOSS)	5,412,180	1,125,272	20.8%	5,433,884	5,209,018	1,013,277	20.2%	5,006,662
NON-OPERATING REVENUES								
Interest income - Operations	75,000	24,705	32.9%	100,000	200,000	28,031	42.6%	65,737
Total Non-Operating Revenues	75,000	24,705	32.9%	100,000	200,000	28,031	42.6%	65,737
Income (Loss) Before Transfers	5,487,180	1,149,977	21.0%	5,533,884	5,409,018	1,041,308	20.5%	5,072,399
TRANSFERS OUT	(6,103,748)	(1,532,019)	25.1%	(6,103,748)	(5,954,206)	(1,499,741)	25.2%	(5,954,206)
FROM FUND BALANCE	616,568	382,042	62.0%	569,864	545,188	458,433	52.0%	881,807
NET INCOME (LOSS)	\$ -	\$ -	-	\$ -	\$ -	\$ -	-	\$ -

(A) Received \$265,685 in first quarter gross receipts after the quarter closed. The total revenue for the non-aeronautical leased land rentals rentals is \$1,849,355 or 25.4% of budget.

(B) Airport non-aeronautical budget for professional, legal and special services is \$36,512, to date there have been no expenditures.

(C) The non aeronautical local meetings budget of \$15,000 has 4% year to date expenditures.

AIRPORT FUND
STATEMENT OF CASH FLOWS
FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011

Cash flows from operating activities

Operating income	\$ 1,332,771	
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization	93,665	
Decrease in accounts receivable	251,627	
Increase in accounts payable	(49,434)	
Net cash provided by operating activities		1,628,629

Cash flows from capital and related financing activities

Capital expenditures- Capital Project	(1,357)	
Interest expense	(25,602)	
Net cash used by capital and related financing		(26,959)

Cash flows from noncapital financing activities

Operating transfer in	-	
Operating transfer out	(1,544,774)	
Net cash used by noncapital financing activities		(1,544,774)

Cash flows from investing activities

Interest on investments	24,705	
Net change in cash		81,601

Cash and cash equivalents, July 1, 20115,040,737**Cash and cash equivalents, September 30, 2011**\$ 5,122,338

Schedule G

TRANSIT FUND**BALANCE SHEET
SEPTEMBER 30, 2011**

	<u>September 30, 2011</u>
ASSETS	
Pooled Cash and Investments	\$2,946,347
Accounts Receivable	6,505
Accrued interest receivable	22,227
Inventory	981,402
Due from other Governments	130,795
<i>Total Current Assets</i>	4,087,276
Property, Plant and Equipment, net	11,387,571
<i>Total Assets</i>	<u>\$15,474,847</u>
LIABILITIES AND FUND EQUITY	
<i>Current Liabilities</i>	
Accounts Payable	\$112,123
Accrued Liabilities	1,096
Accrued Salaries and Benefits Payable	1,092,042
<i>Total Current Liabilities</i>	1,205,261
Deferred Liability	3,019,412
<i>Total Liabilities</i>	4,224,673
<i>Fund Equity</i>	
Retained Earnings - Unreserved	11,250,174
<i>Total Fund Equity</i>	11,250,174
<i>Total Liabilities and Fund Equity</i>	<u>\$15,474,847</u>

TRANSIT FUND
STATEMENT OF REVENUES AND EXPENSES - BUDGET TO ACTUAL
FOR THREE MONTHS ENDED SEPTEMBER 30, 2011 - 25.1% EXPIRED

Schedule G-1

	FY 2012 Annual Budget	FY 2012 Year-to-date Actual Without Enc.	FY 2012 Budget % Without Enc.	Projected Actual 06/30/2012	FY 2011 Annual Budget	FY 2011 Year-to-date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
OPERATING REVENUES								
Passenger cash fares	\$ 3,471,200	\$ 734,002	21.1%	\$ 3,190,000	\$ 3,465,700	\$ 716,047	22.4%	\$ 3,192,487
Advertising	150,000	- (A)	0.0%	149,000	141,000	-	0.0%	149,514
Miscellaneous	830	19,991 (B)	2408.6%	25,000	35,830	68	0.1%	68,851
Total Operating Revenues	3,622,030	753,993	20.8%	3,364,000	3,642,530	716,115	21.0%	3,410,852
NON-OPERATING REVENUES								
SB-325 allocation	4,644,999	774,166 (C)	16.7%	4,644,999	3,761,275	626,885	16.7%	3,761,275
5% Security	158,558	39,639	25.0%	158,558	164,902	41,222	25.9%	159,448
Proposition A Discretionary	3,574,087	893,522	25.0%	3,574,087	3,361,973	840,493	25.0%	3,361,973
Prop 1B-Public Transp. Modernization Imprv & Svc.	-	89,559 (D)	N/A	89,559	-	-	#DIV/0!	-
Prop 1B-Bridge	-	-	N/A	-	-	-	0.0%	652,520
Prop. C Disc. - Svc Exp	281,797	70,449	25.0%	281,797	267,757	66,939	25.0%	267,757
Prop. C Disc. - Shortfall & Zone M	154,445	38,611	25.0%	154,445	121,245	30,311	25.0%	121,245
Prop. C - Base Restructuring	644,535	161,134	25.0%	644,535	631,959	157,990	25.0%	631,959
Prop. C - BSIP Overcrowding	213,927	53,482	25.0%	213,927	209,753	52,438	25.0%	209,753
Measure R	2,105,081	526,270	25.0%	2,105,081	1,758,220	439,555	25.0%	1,758,220
Prop. A -Torrance Dial-a-Taxi	180,000	45,180	25.1%	180,000	180,000	-	0.0%	180,000
Prop. A - Local Return	1,880,708	483,681	25.7%	1,825,000	1,829,702	490,134	26.7%	1,836,688
Prop. A - Exchange	600,000	200,000 (H)	33.3%	600,000	1,250,000	1,050,000	84.0%	1,250,000
Transit STAF	878,094	- (E)	0.0%	878,094	1,009,408	1,009,408	100.0%	1,009,408
From Other cities-Dial A Taxi	50,000	- (F)	0.0%	53,000	65,000	-	0.0%	53,055
Municipal Operators Service Program	1,039,500	259,875	25.0%	1,039,500	554,708	138,677	25.0%	554,708
Capital Maintenance Revenues	2,250,000	- (G)	0.0%	2,250,000	2,250,000	112,500	5.0%	2,250,000
Interest	90,000	21,808	24.2%	76,000	90,000	14,491	19.6%	74,053
Total Non-Operating Revenues	18,745,731	3,657,376	19.5%	18,768,582	17,505,902	5,071,043	28.0%	18,132,062
Total Revenues / Resources	22,367,761	4,411,369	19.7%	22,132,582	21,148,432	5,787,158	26.9%	21,542,914
OPERATING EXPENSES								
Salaries and employee benefits	14,022,582	2,967,455 (I)	21.2%	11,869,820	12,981,916	2,966,806	24.7%	12,032,672
Services and supplies	3,375,192	701,658	20.8%	2,806,632	2,736,992	584,098	21.7%	2,695,379
Other professional services	1,935,622	293,891 (J)	15.2%	1,900,000	2,030,194	254,436	13.5%	1,886,941
Depreciation and amortization	2,376,000	577,105	24.3%	2,376,000	2,513,000	586,733	24.9%	2,358,235
Insurance and Claims	311,252	72,011	23.1%	288,045	365,252	92,381	25.3%	365,241
Interdepartmental charges	2,918,278	628,022	21.5%	2,512,088	2,781,188	617,163	24.6%	2,505,270
Other	77,000	24,287 (K)	31.5%	65,000	77,000	26,424	48.2%	54,846
Total Expenses	25,015,926	5,264,429	21.0%	21,817,585	23,485,542	5,128,041	23.4%	21,898,584
Income (Loss) before transfers	(2,648,165)	(853,060)	32.2%	314,997	(2,337,110)	659,117	-185.3%	(355,670)
OPERATING TRANSFERS IN - Prop C	1,154,000	288,500	25.0%	1,154,000	104,000	304,000	292.3%	104,000
OPERATING TRANSFERS OUT	(36,700)	(26,229) (L)	71.5%	(36,700)	(42,731)	(27,738)	65.7%	(42,203)
Income (Loss) after Operating Transfers	(1,530,865)	(590,789)	38.6%	1,432,297	(2,275,841)	935,379	-318.3%	(293,873)
ADD: DEPRECIATION	2,376,000	577,105	24.3%	2,376,000	2,513,000	586,733	24.9%	2,358,235
NET INCOME (LOSS) BEFORE CAPITAL ACQUISITIONS	\$ 845,135	\$ (13,684)	N/A	\$ 3,808,297	\$ 237,159	\$ 1,522,112	73.7%	\$ 2,064,362
ADD: Contributed Capital Received	-	4,364,196	N/A	10,893,899	-	-	0.0%	276,869
LESS: Capital Acquisitions	-	(8,702,157) (M)	N/A	(10,893,899)	-	(143,448)	42.9%	(334,530)
Federal Grants for Bus Acquisitions	-	4,337,961 (N)	-	-	-	-	-	-
PARTS AND FUEL INVENTORY PURCHASES								
Parts Inventory Purchases	405,724	78,806	19.4%	570,000	460,000	75,859	13.3%	569,299
Fuel Inventory Purchases	2,500,000	427,493	17.1%	2,100,000	1,825,724	49,676	3.0%	1,679,198
Lubricants Inventory Purchases	61,440	2,856	4.6%	49,000	49,000	2,289	5.1%	44,838
Total Parts & Fuel Inventory Purchases	2,967,164	509,155	17.2%	2,719,000	2,334,724	127,824	5.6%	2,293,335

(A) Actual revenues are received after the end of each quarter.

(B) \$12,865 recovery claim was received on August 19th from a casualty company which was not budgeted for.

(C) \$387,083 of the first quarter funds received from the County of Los Angeles on October 12, 2011.

(D) Local Match for Grant#146-Bus purchases (from deferred liability account).

(E) Billing was sent to Metro on July 19, 2011. Transit staff followed up with Metro and per Metro's project manager, Metro has not received the \$ from the State. Upon receipt of State Transit Assistance fund, Metro will remit payment.

(F) Billing to the City of Lomita sent on November 3rd in the amount of \$17,295

(G) Funding subject to federal approval and anticipated to be received towards fiscal year-end.

(H) \$200,000 of Prop A Exchange from City of Palos Verdes Estates was received in the first quarter. Budget includes \$400,000 of Prop A Exchange with the City of Lomita approved by Council on October 11, 2011. \$400,000 anticipated to be received on December 2011.

(I) Salary charges are at 21.2% of budget due to these vacancies as of the first quarter: 2 Transit Supervisors, Transit Operations Manager, Transit Dispatcher, Storekeeper, 2 Senior Mechanics, 12 Bus operators, Relief Bus operator-part time, Equipment Attendant, Admin Analyst, 2 Mechanics and Maintenance worker.

(J) \$148,585 of the budget was encumbered as of the first quarter which is for uniforms, janitorial and graffiti removal services which brings the total percent of actual expense and encumbrances to 23% of budget.

(K) Annual membership dues of \$20,500 was paid to the American Public Transportation Association on July 26, 2011.

(L) Annual transfers to the Data Communications and Radio Replacement Funds were posted at a 100% of the budget at the beginning of the fiscal year.

(M) Cost of 17 bus purchases

(N) Federal grant funds received in the second quarter. Funds are recorded as Contributed Capital upon receipt.

TRANSIT FUND
STATEMENT OF CASH FLOWS
FOR THREE MONTHS ENDED SEPTEMBER 30, 2011

Cash flows from operating activities

Operating loss	(853,060)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities	
Depreciation and amortization	577,105
(Increase) in receivables-advances	(6,505)
Decrease in misc receivables	77,528
Decrease in inventory	114,988
Decrease in due from governments	2,218,552
(Decrease) in accounts payable	(347,858)
(Decrease) in accrued liabilities	(223,703)
(Decrease) in deferred liability	(89,559)

Net cash provided (used) by operating activities 1,467,488

Cash flows from capital and related financing activities

Capital expenditures	(8,702,157)
Contributed capital received	4,364,196

Net cash used by capital and related financing (4,337,961)

Cash flows from noncapital financing activities

Operating transfers in (out)	262,271
Operating grants received	-

Net cash provided by noncapital financing activities 262,271

Net change in cash (2,608,202)

Cash, restricted cash and cash equivalents, July 1, 2011 5,554,549

Cash, restricted cash and cash equivalents, September 30, 2011 \$2,946,347

Schedule G-3

MUNICIPAL AREA EXPRESS (MAX)

STATEMENT OF REVENUES & EXPENDITURES - BUDGET TO ACTUAL
FOR THREE MONTHS ENDED SEPTEMBER 30, 2011 - 25.1% EXPIRED

	<i>FY2012 Annual Budget</i>	<i>FY2012 Year-To-Date Actual Without Enc.</i>	<i>FY2012 Budget % Without Enc.</i>	<i>Projected Actual 6/30/2012</i>	<i>FY 2011 Annual Budget</i>	<i>FY 2011 Year-to-date Actual Without Enc.</i>	<i>FY 2011 Actual to Actual % Without Enc.</i>	<i>FY 2011 Prior Year Total</i>
Revenues:								
Passenger cash fares	\$ 198,021	\$ 38,563	19.5%	\$ 159,000	\$ 198,021	\$ 36,206	22.9%	\$ 157,995
Contributions from other cities	482,290	120,572	25.0%	482,290	654,587	163,646	25.8%	633,411
Intergovernmental	437,748	109,437	25.0%	437,748	437,748	109,437	25.0%	437,748
Use of money and property	—	4,255 (C)	0.0%	17,020	—	—	0.0%	—
Total revenues	1,118,059	272,827	24.4%	1,096,058	1,290,356	309,289	25.2%	1,229,154
Expenditures:								
Current:								
Salaries & Benefits	16,200	2,524 (A)	15.6%	16,200	16,200	4,081	26.6%	15,315
Materials & Supplies	4,500	821	18.2%	2,500	4,500	140	6.6%	2,130
Professional & contract services	1,094,287	4,790 (B)	0.4%	1,094,287	1,266,568	209,645	16.8%	1,251,087
City Charges	3,072	489	15.9%	3,072	3,088	778	26.7%	2,918
Total expenditures	1,118,059	8,624	0.8%	1,116,059	1,290,356	214,644	16.9%	1,271,450
From Fund Balance	—	—	N/A	—	—	—	N/A	—
Excess (deficiency) of revenues over expenditures	\$ —	\$ 264,203	N/A	\$ (20,001)	\$ —	\$ 94,645	N/A	\$ (42,296)

- (A) These are salary charges of the customer service representative. Last fiscal year salary charges are higher since the administrative analyst charged a portion of his salaries to MAX. This position is currently vacant.
- (B) Contract service invoices for July through September 2011 were received and processed in October. The total amount paid in October is \$269,201.
- (C) Interest earnings for the first quarter

WATER FUND**BALANCE SHEET**
September 30, 2011

	September 30, 2011
ASSETS	
Pooled Cash and Investments	\$ 5,784,405
Accounts Receivable	6,087,777
Accrued Interest Receivable	16,797
Inventories	441,927
<i>Total Current Assets</i>	12,330,906
Restricted cash and investments	
Pooled cash and investments	551,026
<i>Total Restricted Cash</i>	551,026
Utility plant in service, net	66,435,248
Advances to other funds	1,154,432
Total Assets	\$ 80,471,612
LIABILITIES AND FUND EQUITY	
Current Liabilities	
Accounts Payable	\$ 3,607,959
Accrued Liabilities	347,455
Retainage Payable	52,483
Deposits	23,570
Revenue bonds due within one year	540,000
<i>Total Current Liabilities</i>	4,571,467
Noncurrent Portion of revenue bonds outstanding	1,190,000
Total Liabilities	5,761,467
Fund Equity	
Retained Earnings - Unreserved	74,710,145
Total Fund Equity	74,710,145
Total Liabilities and Fund Equity	\$ 80,471,612

WATER FUND OPERATIONS

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL
FOR THREE MONTHS ENDED SEPTEMBER 30, 2011 - 25.1% EXPIRED

	Annual Budget(A)	Year-To-Date Actual Without Enc.	Budget % Without Enc.	Projected Actual at 06/30/12	FY 2011 Annual Budget	FY 2011 Year-To-Date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
OPERATING REVENUES								
Water Sales	\$ 31,472,000	\$ 8,953,973	28.5%	\$ 31,472,000	\$ 28,550,000	\$ 7,284,627	25.1%	\$ 29,037,032
Other	1,429,055	279,082	19.5%	1,111,880	1,527,155	366,606	31.7%	1,157,360
Total Operating Revenues	32,901,055	9,233,055	28.1%	32,583,880	30,077,155	7,651,233	25.3%	30,194,392
OPERATING EXPENSES:								
Salaries and employee benefits	5,321,812	1,140,153 (B)	21.4%	4,892,442	4,946,870	1,113,187	24.5%	4,551,034
Services and supplies	1,590,749	337,289	21.2%	1,550,749	1,600,622	256,979	17.0%	1,512,186
Other professional services	1,125,679	188,932 (C)	16.8%	1,025,679	931,850	117,790	16.4%	718,648
Depreciation and amortization	1,200,000	301,200	25.1%	1,200,000	1,200,000	302,400	22.3%	1,355,004
Insurance and claims	92,109	16,165 (D)	17.5%	65,000	92,109	12,759	21.8%	58,558
In Lieu franchise payments	718,000	180,936	25.2%	718,000	718,000	180,936	25.2%	718,000
Interdepartmental charges	1,061,735	243,741	23.0%	1,061,735	1,307,105	355,018	29.9%	1,186,272
Cost of water	20,285,000	5,040,141	24.8%	20,236,869	19,424,354	5,243,404	28.1%	18,671,108
Others	72,275	7,790 (E)	10.8%	72,275	94,798	15,267	18.0%	84,713
Total Operating Expenses	31,467,359	7,456,347	23.7%	30,822,749	30,315,708	7,597,740	26.3%	28,855,523
OPERATING INCOME (LOSS)	1,433,696	1,776,708	123.9%	1,761,132	(238,553)	53,493	4.0%	1,338,869
NON-OPERATING REVENUES								
Interest income - Operations	75,000	37,864 (F)	50.5%	75,000	250,000	42,605	42.2%	100,880
Capital Grants- Donated Capital	-	-	N/A	-	-	-	N/A	-
Total Non-Operating Revenues	75,000	37,864	50.5%	75,000	250,000	42,605	42.2%	100,880
NON-OPERATING EXPENSES								
Interest expense	74,300	13,383 (G)	18.0%	74,300	109,050	17,675	17.6%	100,244
Total Non-Operating Expenses	74,300	13,383	18.0%	74,300	109,050	17,675	17.6%	100,244
Income (Loss) before transfers	1,434,396	1,801,189	125.6%	1,761,832	(97,603)	78,423	5.9%	1,339,505
TRANSFERS OUT	(158,982)	(151,151) (H)	95.1%	(158,982)	(258,891)	(60,426)	24.4%	(247,529)
FROM FUND BALANCE	-	-	N/A	-	356,494	-	N/A	-
NET INCOME (LOSS)	\$ 1,275,414	\$ 1,650,038	N/A	\$ 1,602,850	\$ -	\$ 17,997	N/A	\$ 1,091,976

(A) Annual Budget includes prior year encumbrances budget of \$34,970.

(B) Regular salaries are under budget due to various vacant positions (one Water Service Technician I and two Water Service Technician III).

(C) September Global Water service fees for approximately \$44,000 were paid in October. If paid in September, the percentage would have been 19.8%.

(D) There were no claims for Insurance Claims Under \$50,000 as of September 30, 2011.

(E) None of \$25,000 budgeted for education/training has been used as of September 30, 2011.

(F) Interest income is high because the budget was reduced by 70% from the prior fiscal year.

(G) Bond interest expense payments are due on September 1st and March 1st of each year. The expense shown represents two months of interest expense.

(H) Transfers to PC Replacement fund are recorded on monthly basis. Transfer to all other replacement funds are fully recorded at the beginning of the fiscal year.

WATER FUND
STATEMENT OF CASH FLOWS
FOR THREE MONTHS ENDED SEPTEMBER 30, 2011

Cash flows from operating activities

Operating income (loss)	\$ 1,776,708	
Adjustments to reconcile operating income (loss) to net cash used by operating activities		
Depreciation and amortization	301,200	
(Increase) Decrease in accounts receivable	(483,845)	
(Increase) Decrease in prepaid	95	
(Increase) Decrease in inventory	33,799	
Increase (Decrease) in accounts payable	(308,725)	
Increase (Decrease) in deposits	9,000	
Increase (Decrease) in Interest on Revenue Bonds due within one year	(26,767)	
Net cash provided by operating activities		\$ 1,301,465

Cash flows from capital and related financing activities

Capital expenditures	(156,816)	
Interest and related costs paid on revenue bonds	(13,383)	
Net cash used by capital and related financing		(170,199)

Cash flows from noncapital financing activities

Operating transfers out	(14,211)	
Net cash used by noncapital financing activities		(14,211)

Cash flows from investing activities

Interest on investments	37,864	
Net cash provided by investing activities		37,864

Net change in cash 1,154,919

Cash, restricted cash and cash equivalents, July 1, 2011 5,180,512

Cash, restricted cash and cash equivalents, September 30, 2011 \$ 6,335,431 (A)

(A) Includes cash held by trustee and project cash.

EMERGENCY MEDICAL SERVICES FUND**BALANCE SHEET
September 30, 2011****September 30, 2011****ASSETS****Current Assets**

Pooled Cash and Investments \$ 47,156

Total Current Assets 47,156

Property, Plant and Equipment, net 56,837

Total Assets \$ 103,993**LIABILITIES AND FUND EQUITY****Current Liabilities**

Accounts Payable \$ 5,693

Total Liabilities 5,693**Fund Equity**

Retained Earnings - Reserved 3,200 (A)

Retained Earnings 95,100

Total Fund Equity 98,300**Total Liabilities and Fund Equity** \$ 103,993

(A) Amount used to balance 2011-12 budget.

Schedule I-1

EMERGENCY MEDICAL SERVICES FUND

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED

	Annual Budget	Year-To-Date Actual Without Enc.	Budget % Without Enc.	Projected Actual at 06/30/12	FY 2011 Annual Budget	FY 2011 Year-To-Date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
OPERATING REVENUES								
PM ALS Resp and Transport Fees	\$ 830,000	\$ 196,803	23.7%	\$ 950,000	\$ 800,000	\$ 164,791	17.8%	\$ 926,325
PM ALS Assess/Transport w/o Paramedic	600,000	138,184	23.0%	650,000	583,000	125,836	19.1%	660,540
Medical Resupply Fee	160,000	13,156 (A)	8.2%	100,000	160,000	27,646	16.6%	166,750
Paramedic Medical Facility Fee	120,000	31,032	25.9%	100,000	120,000	32,201	24.3%	132,290
Other	-	-	N/A	10,000	10,385	-	0.0%	10,385
Total Operating Revenues	1,710,000	379,175	22.2%	1,810,000	1,673,385	350,474	18.5%	1,896,290
OPERATING EXPENSES:								
Salaries and employee benefits	9,739,677	2,332,755	24.0%	9,500,000	9,366,907	2,194,672	23.5%	9,330,956
Services and supplies	324,582	66,223	20.4%	250,000	265,882	82,114	28.7%	286,081
Other professional services	21,140	544 (B)	2.6%	20,000	22,938	114	0.5%	21,292
Depreciation and amortization	10,000	3,059 (C)	30.6%	12,235	10,000	3,059	25.0%	12,235
Capital Outlay	-	-	N/A	20,000	23,300	-	N/A	21,108
Others	10,000	1,090 (D)	10.9%	10,000	12,500	3,487	30.4%	11,473
Total Operating Expenses	10,105,399	2,403,671	23.8%	9,812,235	9,701,527	2,283,446	23.6%	9,683,145
OPERATING INCOME (LOSS)	(8,395,399)	(2,024,496)	24.1%	(8,002,235)	(8,028,142)	(1,932,972)	24.8%	(7,786,855)
Income (Loss) before transfers	(8,395,399)	(2,024,496)	24.1%	(8,002,235)	(8,028,142)	(1,932,972)	24.8%	(7,786,855)
OPERATING TRANSFERS IN	8,975,199	2,069,863	23.1%	8,585,235	8,609,642	1,932,972	23.1%	8,369,855
OPERATING TRANSFERS OUT	(583,000)	(45,367) (E)	7.8%	(583,000)	(583,000)	-	0.0%	(583,000)
FROM FUND BALANCE	3,200	-	0.0%	-	1,500	-	N/A	-
NET INCOME (LOSS)	\$ -	\$ -	N/A	\$ -	\$ -	\$ -	N/A	\$ -

(A) A payment in the amount of \$14,076 was received on October 12, 2011 bringing the actual to budget percentage up to 17.0%.

(B) Professional services are used as needed throughout the year and a software users license renewal is typically paid in the second half of the fiscal year.

(C) The actual depreciation rate is slightly higher than budgeted and will remain high through fiscal year-end.

(D) Other expenses are for new accreditation and recertification of paramedics.

(E) Transfers out represent PM ALS Assess/Transport w/o Paramedic revenues transferred to the General Fund.

EMERGENCY MEDICAL SERVICES FUND**STATEMENT OF CASH FLOWS
FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011****Cash flows from operating activities**

Operating loss	\$	(2,024,496)	
Adjustments to reconcile operating loss to net cash used by operating activities			
Depreciation and amortization		3,059	
(Increase)/Decrease in accounts receivable		263,055	
Increase/(Decrease) in accounts payable		(4,649)	
Increase/(Decrease) in accrued liabilities		(47)	
Increase/(Decrease) in to due to other funds		(214,262)	
Net cash used by operating activities			\$ (1,977,340)

Cash flows from noncapital financing activities

Operating transfers in	2,069,863	
Operating transfers out	(45,367)	
Net cash provided by noncapital financing activities		<u>2,024,496</u>

Net change in cash 47,156

Cash, restricted cash and cash equivalents, July 1, 2011 -

Cash, restricted cash and cash equivalents, September 30, 2011 47,156

SANITATION ENTERPRISE FUND***BALANCE SHEET
September 30, 2011*****September 30, 2011*****ASSETS******Current Assets***

Pooled Cash and Investments	\$	487,519
Accounts Receivable		2,186,911
Total Current Assets		2,674,430

Utility plant in service, net		13,354
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Total Assets	\$	2,687,784
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LIABILITIES AND FUND EQUITY***Current Liabilities***

Accounts Payable	\$	117,360
Accrued Liabilities		623,302
Total Liabilities		740,662

Fund Equity

Retained Earnings - Reserved		1,947,122 (A)
Total Fund Equity		1,947,122

Total Liabilities and Fund Equity	\$	2,687,784
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(A) Amount used to offset 2011-12 budget deficit.

SANITATION ENTERPRISE FUND

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL
FOR THREE MONTHS ENDED SEPTEMBER 30, 2011 - 25.1% EXPIRED

	Annual Budget (A)	Year-To-Date Actual Without Enc.	Budget % Without Enc.	Projected Actual at 06/30/12	FY 2011 Annual Budget	FY 2011 Year-To-Date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
OPERATING REVENUES								
Refuse fee revenue	\$ 7,412,620	\$ 2,105,573	28.4%	\$ 7,397,795	\$ 7,412,620	\$ 1,847,788	25.1%	\$ 7,372,204
Sewer fee revenue	1,202,000	316,968	26.4%	1,202,000	1,302,000	385,312	29.9%	1,287,167
Recycling fee revenue	1,390,000	375,796	27.0%	1,698,573	1,490,000	311,582	20.9%	1,492,198
AB 939 fee revenue	720,000	58,190 (B)	8.1%	720,000	795,000	37,722	5.3%	714,008
Total Operating Revenues	10,724,620	2,856,527	26.6%	11,018,368	10,999,620	2,582,404	23.8%	10,865,577
OPERATING EXPENSES:								
Salaries and employee benefits	4,934,024	1,141,204	23.1%	4,700,813	4,693,561	1,122,019	24.0%	4,670,393
Services and supplies	3,411,674	831,616	24.4%	3,386,260	3,550,681	720,293	20.5%	3,511,915
Depreciation and amortization	25,180	6,320	25.1%	25,180	25,180	6,275	27.0%	23,236
Other professional services	3,041,053	326,151 (C)	10.7%	2,800,602	2,591,894	304,219	12.4%	2,458,794
Insurance and claims	187,374	18,795 (D)	10.0%	74,949	222,374	35,124	38.4%	91,503
Interdepartmental charges	898,312	205,299	22.9%	818,677	958,464	255,709	27.2%	938,784
Others	29,520	2,270 (E)	7.7%	29,052	56,020	5,455	14.0%	38,969
Total Operating Expenses	12,527,137	2,531,655	20.2%	11,835,533	12,098,174	2,449,094	20.9%	11,733,594
OPERATING INCOME (LOSS)	(1,802,517)	324,872	118.0%	(817,165)	(1,098,554)	133,310	-15.4%	(868,017)
NON-OPERATING REV (EXP)								
Interest income (expense)	35,000	2,839 (F)	8.1%	20,000	90,000	8,698	32.9%	26,408
Total Non-Operating Revenues (Expense)	35,000	2,839	8.1%	20,000	90,000	8,698	32.9%	26,408
Income (Loss) before transfers	(1,767,517)	327,711	118.5%	(797,165)	(1,008,554)	142,008	-16.9%	(841,609)
TRANSFERS IN	75,000	18,825	25.1%	75,000	75,000	18,750	25.0%	75,000
TRANSFERS OUT	(2,064)	(1,241)	60.1%	(2,064)	(421,496)	(172,275)	42.8%	(402,048)
FROM FUND BALANCE	1,100,858		0.0%	1,052,463	1,355,050	11,517	1.0%	1,168,657
NET INCOME (LOSS)	\$ (593,723)	\$ 345,295	158.2%	328,234	\$ -	\$ -	N/A	\$ -

(A) Annual budget includes prior year encumbrances budget of \$255,786.

(B) The 1st quarter private hauler fees for approximately \$120,000 are received in October. If received in the first quarter, the percentage would have been 23.2%.

(C) Special contracts are utilized on an as needed basis. Invoices for September dump fees for approximately \$160,000 will be paid in November. If paid in September, the percentage would have been 15.8%.

(D) There were no Insurance Claims Under \$50,000 as of September 30, 2011.

(E) Only 7.1% of \$22,720 budgeted for bad debts and 3.5% of \$6,800 budgeted for training and travel have been used as of September 30, 2011.

(F) Interest income was low due to low cash balance.

SANITATION ENTERPRISE FUND
STATEMENT OF CASH FLOWS
FOR THREE MONTHS ENDED SEPTEMBER 30, 2011

Cash flows from operating activities

Operating income (loss)	\$ 324,872	
Adjustments to reconcile operating income (loss) to net cash used by operating activities		
Depreciation and amortization	6,320	
(Increase) Decrease in accounts receivable	(435,577)	
(Increase) Decrease in Due From Other Governments	39,330	
Increase (Decrease) in accounts payable	(331,801)	
<i>Net cash used by operating activities</i>	<u>\$ (396,856)</u>	

Cash flows from capital and related financing activities

Capital expenditures	(27,983)	
<i>Net cash used by capital and related financing</i>		(27,983)

Cash flows from noncapital financing activities

Operating transfers in	18,825	
Operating transfers out	(1,241)	
<i>Net cash provided by noncapital financing activities</i>		17,584

Cash flows from investing activities

Interest income (expense)	2,839	
<i>Net cash provided by investing activities</i>		2,839

Net change in cash (404,416)

Cash, restricted cash and cash equivalents, July 1, 2011 891,935

Cash, restricted cash and cash equivalents, September 30, 2011 \$ 487,519 (A)

(A) Includes project cash

CULTURAL ARTS CENTER ENTERPRISE FUND**BALANCE SHEET
SEPTEMBER 30, 2011**

	<u>SEPTEMBER 30, 2011</u>
ASSETS	
Pooled Cash and Investments	\$ 185,152
Accounts Receivable	20,872
Total Current Assets	\$ 206,024
Machinery and Equipment, net	513,752
Total Assets	\$ 719,776
LIABILITIES AND FUND EQUITY	
Current Liabilities	
Accounts Payable	\$ 176,800
Accrued liabilities	83,396
Total Liabilities	\$ 260,196
Fund Equity	
Reserved Retained Earnings	\$ 177,768 (A)
Unreserved Retained Earnings	281,812
Total Fund Equity	\$ 459,580
Total Liabilities and Fund Equity	\$ 719,776

(A) Represents amount used to balance 2011-12 budget and includes amount on reserve for equipment replacement at the Center.

Schedule K-1

CULTURAL ARTS CENTER ENTERPRISE FUND STATEMENT OF REVENUES AND EXPENSES - BUDGET TO ACTUAL FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED

	Annual Budget	Year-To-Date Actual Without Enc.	Budget % Without Enc.	Projected Actual 06/30/12	FY 2011 Annual Budget	FY 2011 Year-To-Date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
OPERATING REVENUES								
Charges for rental	\$ 757,090	\$ 172,150	22.7%	\$ 757,090	\$ 715,090	\$ 177,174	29.4%	\$ 603,376
Charges for services	404,400	77,363	19.1%	384,180	404,400	76,159	19.4%	391,575
Total Operating Revenues	1,161,490	249,513 (A)	21.5%	1,141,270	1,119,490	253,333	25.5%	994,951
OPERATING EXPENSES:								
Salaries and employee benefits	1,487,265	358,256	24.1%	1,487,265	1,549,664	376,745	25.0%	1,506,095
Materials and supplies	125,358	14,071 (B)	11.2%	100,000	125,358	11,885	16.0%	74,083
Other professional services	341,091	97,955 (C)	28.7%	290,000	343,729	92,183	35.0%	263,525
Depreciation and amortization	29,000	7,219	24.9%	20,000	29,000	5,386	28.9%	18,633
Interdepartmental charges	108,563	27,144	25.0%	108,563	107,674	26,922	25.0%	107,674
Other	12,400	63 (D)	0.5%	2,000	12,400	176	25.3%	695
Total Operating Expenses	2,103,677	504,708	24.0%	2,007,828	2,167,825	513,297	26.0%	1,970,705
OPERATING INCOME (LOSS)	(942,187)	(255,195)	27.1%	(866,558)	(1,048,335)	(259,964)	26.6%	(975,754)
NON-OPERATING REVENUES								
Other - Grants	73,200	12,166	16.6%	73,200	73,200	10,517	14.4%	73,200
TCA Foundation - Grants	36,240	-	0.0%	36,240	36,240	1,356	3.7%	36,240
Total Non-Operating Revenues	109,440	12,166 (E)	11.1%	109,440	109,440	11,873	10.8%	109,440
Income (Loss) before transfers	(832,747)	(243,029)	29.2%	(757,118)	(938,895)	(248,091)	28.6%	(866,314)
TRANSFERS IN	713,187	171,153	24.0%	713,187	780,075	196,579	25.4%	774,798
TRANSFERS OUT	(58,208)	(12,152) (F)	20.9%	(58,208)	(171,760)	(118,743)	71.6%	(165,885)
FROM FUND BALANCE FOR CAPITAL EXP.	50,000	7,320 (G)	14.6%	50,000	50,000	12,600	25.2%	50,000
FROM FUND BALANCE FOR OPER. EXP.	127,768	32,070	25.1%	52,139	280,580	70,706	34.1%	207,401
OVER (UNDER) SUBSIDY	\$ -	\$ (44,638)	N/A	\$ -	\$ -	\$ (86,949)	N/A	\$ -

- (A) Meeting and classroom rental revenues are below budget due to cancellations and a decrease in events being scheduled.
Theater labor revenues are lower than budget due to reduced staffing requirements in the Center.
- (B) Materials and supplies expenses are spent on as needed basis.
- (C) Annual Torrance Cultural Arts Center Foundation payment for \$48,180 resulting in 77.6% of the year to date Theater budget expended.
- (D) The budget in this category is a discretionary cost and is expended by the department as the need arises.
- (E) Events for grants will be 100% received by the end of the fiscal year.
- (F) Transferred 100% of the budget to the Telephone & Data Communications replacement fund.
- (G) Represents Program Modification for CAC facility repairs and equipment project approved by City Council on December 21, 2010.
The funding is replenished annually to \$50,000. \$7,320 is the replenishment funding for fiscal year 2012. Funding is from the CAC fund balance.

FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED

	Meeting Rooms						Classrooms				Theaters			Non-Departmental		Total		FY 2011 Year-To-Date Actual	% of Budget To Actual	FY 2011 Year-To-Date Actual
	Annual Budget 11/12	YTD Actual 09/30/2011	% of Budget To Actual	FY 2011 Year-To-Date Actual	Annual Budget 11/12	YTD Actual 09/30/2011	% of Budget To Actual	FY 2011 Year-To-Date Actual	Annual Budget 11/12	YTD Actual 09/30/2011	% of Budget To Actual	FY 2011 Year-To-Date Actual	YTD Actual 09/30/2011	Annual Budget 11/12						
Rental	\$ 305,000	\$ 74,466	24.4%	\$ 56,205	\$ 286,090	\$ 61,378	21.5%	(A)	\$ 68,274	\$ 166,000	\$ 36,306	21.9%	(A)	\$ 52,695	\$ 757,090	\$ 172,150	22.7%	\$ 177,174	22.7%	\$ 177,174
Labor	120,000	32,745	27.3%	27,298	-	-	NA		-	284,400	44,618	15.7%	(A)	48,861	404,400	77,363	19.1%	76,159	19.1%	76,159
Grant-Gen. Fund	73,200	12,166	16.6%	10,517	-	-	NA		-	36,240	-	0.0%		1,356	109,440	12,166	11.1%	11,873	11.1%	11,873
Total Revenues	498,200	119,377	24.0%	94,020	286,090	61,378	21.5%		68,274	486,640	80,924	16.6%		102,912	1,270,930	261,679	20.6%	265,206	20.6%	265,206
Less: Expenses																				
Salaries and benefits	417,455	99,272	23.8%	98,289	345,355	85,705	24.8%		89,848	724,455	173,279	23.9%		188,608	1,487,265	358,256	24.1%	376,745	24.1%	376,745
Materials and supplies	42,687	5,801	13.6%	4,121	25,522	-	0.0%	(C)	27	57,149	8,270	14.5%	(C)	7,737	125,358	14,071	11.2%	11,985	11.2%	11,985
Other professional services	114,203	25,014	21.9%	19,807	78,100	10,878	13.9%		12,046	148,788	62,063	41.7%	(D)	60,330	341,091	97,955	28.7%	92,183	28.7%	92,183
Depreciation and amortization	17,000	4,499	26.5%	2,837	-	-	NA		-	12,000	2,720	22.7%		2,549	29,000	7,219	24.9%	5,386	24.9%	5,386
Interdepartmental charges	36,546	9,162	25.0%	35,681	35,681	8,922	25.0%	(E)	8,856	36,236	9,060	25.0%		8,982	108,563	27,144	25.0%	25,922	25.0%	25,922
Other	5,300	63	1.2%	176	5,200	-	0.0%		-	1,900	-	0.0%	(E)	-	12,400	63	0.5%	176	0.5%	176
Total expenses	633,291	143,811	22.7%	134,314	489,858	105,505	21.5%		110,777	980,528	255,392	26.0%		268,206	2,103,677	504,708	24.0%	513,297	24.0%	513,297
Income (loss) from operations	(135,091)	(24,434)	18.1%	(40,294)	(203,768)	(44,127)	21.7%		(42,503)	(493,888)	(174,468)	35.3%		(165,294)	(832,747)	(243,029)	29.2%	(248,091)	29.2%	(248,091)
Transfers In	117,448	26,017	22.2%	32,978	199,906	45,692	22.9%		54,898	395,833	99,444	25.1%		108,703	713,187	171,153	24.0%	196,579	24.0%	196,579
Transfers Out	(2,741)	(1,583)	57.8%	(76,724)	(2,674)	(1,565)	58.5%	(F)	(1,700)	(2,793)	(1,684)	60.3%	(F)	(40,319)	(58,208)	(12,152)	20.9%	(118,743)	20.9%	(118,743)
From Fund Balance for capital exp.															50,000	7,320	14.6%	50,000	14.6%	50,000
From Fund Balance for oper. exp.															127,768	32,070	25.1%	70,706	25.1%	70,706
Over (under) subsidy	(20,384)	-	0.0%	(64,040)	(6,536)	-	0.0%		10,695	(100,848)	(76,708)	76.1%		(96,910)	-	(49,548)	N/A	(49,548)	N/A	(49,548)

Theater labor revenues are lower than budget due to reduced staffing requirements in the Center.

(C) Materials and supplies expenses are spent on as needed basis.

(E) The budget in this category is a discretionary cost and is expended by the department as the need arises.

(G) Represents Program Modification for CAC facility repairs and equipment project approved by City Council on December 21, 2010.

CULTURAL ARTS CENTER ENTERPRISE FUND**STATEMENT OF CASH FLOWS
FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011****Cash flows from operating activities**

Operating loss	(255,195)	
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation and amortization	7,219	
Decrease in accounts receivable	8,834	
(Decrease) in accounts payable	(45,882)	
(Decrease) in accrued liabilities	(457)	
	<u> </u>	

Net cash used by operating activities (\$285,481)

Cash flows from capital and related financing activities

Transfer-in from operations to capital projects and Capital Expenditures, net	<u>1,309</u>	
Net cash provided by capital and related financing activities		1,309

Cash flows from noncapital financing activities

Operating transfers in	171,153	
Operating transfers out	(12,152)	
Grants received	<u>12,166</u>	

Net cash provided by noncapital financing activities 171,167

Net change in cash (113,005)

Cash and cash equivalents, July 1, 2011 298,157

Cash and cash equivalents, September 30, 2011 \$185,152

SEWER ENTERPRISE FUND**BALANCE SHEET**
September 30, 2011

	<u>September 30, 2011</u>
ASSETS	
Pooled Cash and Investments	\$ 10,563,192
Accrued Interest Receivable	41,236
Total Current Assets	10,604,428
Property, Plant and Equipment, net	43,164,697
Advances to other funds	419,028
Total Assets	\$ 54,188,153
LIABILITIES AND FUND EQUITY	
Current Liabilities	
Accounts Payable	47,093
Total Liabilities	47,093
Fund Equity	
Contributed Capital	2,786,254
Retained Earnings - Reserved	1,319,478 (A)
Retained Earnings - Unreserved	50,035,328
Total Fund Equity	54,141,060
Total Liabilities and Fund Equity	\$ 54,188,153

(A) Amount used to balance 2011-12 budget.

Schedule L-1

SEWER ENTERPRISE FUND OPERATIONS STATEMENT OF REVENUES AND EXPENSES - BUDGET TO ACTUAL FOR THREE MONTHS ENDED SEPTEMBER 30, 2011 - 25.1% EXPIRED

	Annual Budget	Year-to-Date Actual Without Enc.	Budget % Without Enc.	Projected Actual at 06/30/2012	FY 2011 Annual Budget	FY 2011 Year-to-Date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
OPERATING REVENUES								
Sewer charges	\$ 1,522,500	\$ 387,406	25.4%	\$ 1,522,500	\$ 1,702,500	\$ 470,937	29.9%	\$ 1,573,204
Other	8,000	1,450	18.1%	7,800	10,000	2,410	31.2%	7,722
Total Operating Revenues	1,530,500	388,856	25.4%	1,530,300	1,712,500	473,347	29.9%	1,580,926
OPERATING EXPENSES								
Salaries and employee benefits	957,061	238,026	24.9%	949,183	917,012	211,762	24.1%	877,364
Services and supplies	65,133	11,657 (A)	17.9%	56,485	58,883	5,203	9.9%	52,648
Other professional services	166,622	18,807 (B)	11.3%	124,997	145,370	4,329	3.9%	112,306
Depreciation	1,005,000	252,255	25.1%	1,005,000	1,005,000	253,260	25.9%	977,870
Interdepartmental charges	186,690	46,153	24.7%	186,690	221,478	67,275	30.4%	221,440
Other	9,514	- (C)	0.0%	1,000	9,514	321	14.5%	2,209
Total Operating Expenses	2,390,020	566,898	23.7%	2,323,355	2,357,257	542,150	24.2%	2,243,837
OPERATING INCOME	(859,520)	(178,042)	20.7%	(793,055)	(644,757)	(68,803)	10.4%	(662,911)
NON-OPERATING REVENUES								
Interest income - Operations	200,000	47,374	23.7%	180,000	400,000	56,725	38.5%	147,305
Total Non-Operating Revenues	200,000	47,374	23.7%	180,000	400,000	56,725	38.5%	147,305
Income before transfers	(659,520)	(130,668)	19.8%	(613,055)	(244,757)	(12,078)	2.3%	(515,606)
TRANSFERS OUT	(659,958)	(603,783) (D)	91.5%	(659,958)	(314,843)	(33,750)	12.2%	(275,622)
FROM FUND BALANCE	1,319,478	734,451	55.7%	1,273,013	559,600	45,828	8.2%	559,600
NET INCOME (LOSS)	\$ -	\$ -	N/A	-	\$ -	\$ -	N/A	\$ (231,628)

(A) None of \$15,500 for vehicle repairs budget has been spent as of September 30, 2011.

(B) Professional Services contracts are utilized on an as needed basis.

(C) None of \$3,000 for bad debts expense has been spent as of September 30, 2011.

(D) Annual budget includes an appropriation of \$101,000 to project I-77 per 9/13/11 council item 8I and an appropriation of \$364,063 to project I-110 per 9/27/11 council item 8H.

SEWER ENTERPRISE FUND OPERATIONS
STATEMENT OF CASH FLOWS
FOR THREE MONTHS ENDED SEPTEMBER 30, 2011

Cash flows from operating activities

Operating income (loss)	\$ (178,042)	
Adjustments to reconcile operating income (loss) to net cash provided by operating activities		
Depreciation and amortization	252,255	
(Increase) Decrease in accounts receivable	125,992	
Increase (Decrease) in accounts payable	137,639	
Net cash provided by operating activities		\$ 337,844

Cash flows from capital and related financing activities

Capital expenditures	(316,404)	
Net cash used by capital and related financing		(316,404)

Cash flows from non-capital financing activities

Operating transfers out	(138,720)	
Net cash used by non-capital financing activities		(138,720)

Cash flows from investing activities

Interest on investment	47,374	
Net cash provided by investing activities		47,374

Net change in cash (69,906)

Cash, restricted cash and cash equivalents, July 1, 2011 10,633,098

Cash, restricted cash and cash equivalents, September 30, 2011 \$ 10,563,192 (A)

(A) Includes project cash

PARKS AND RECREATION ENTERPRISE FUND**BALANCE SHEET
SEPTEMBER 30, 2011**

	<u>September 30, 2011</u>
ASSETS	
Current Assets	
Pooled Cash and Investments	(\$150,387)
Accounts Receivable	2,747
Total Current Assets	<u>(147,640)</u>
Fixed Assets	17,372
Total Assets	<u>(\$130,268)</u>
LIABILITIES AND FUND EQUITY	
Current Liabilities	
Accounts Payable	\$10,293
Total Liabilities	<u>10,293</u>
Fund Equity (Deficit)	
Retained Earnings (Deficit)	(140,561)
Total Fund Equity (Deficit)	<u>(140,561)</u>
Total Liabilities and Fund Equity (Deficit)	<u>(\$130,268)</u>

Schedule M-1

PARKS AND RECREATION ENTERPRISE FUND-COMBINED

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL FOR THREE MONTHS ENDED SEPTEMBER 30, 2011-25.1% EXPIRED

	FY2012 Annual Budget	FY2012 Year-To-date Actual Without Enc.	FY2012 Budget % Without Enc.	Projected Actual 06/30/2012	FY2011 Annual Budget	FY2011 Year-To-date Actual Without Enc.	FY2011 Actual to Actual % Without Enc.	FY2011 Prior Year Total
OPERATING REVENUES								
Charges for services	\$ 4,814,409	\$ 1,832,391 (A)	38.1%	\$ 4,233,816	4,795,383	\$ 1,745,634	42.1%	4,147,059
Other	1,200	550	45.8%	3,000	10,394	287	2.8%	10,250
Total Operating Revenues	4,815,609	1,832,941	38.1%	4,236,816	4,805,777	1,745,921	42.0%	4,157,309
OPERATING EXPENSES:								
Salaries and employee benefits	5,297,297	1,380,601 (B)	26.1%	5,285,997	5,114,997	1,485,447	28.9%	5,146,478
Services and supplies	1,134,457	332,149 (C)	29.3%	932,382	1,205,590	331,817	31.6%	1,048,556
Other professional services	1,222,169	225,348	18.4%	1,010,000	1,176,075	280,119	28.7%	975,082
Insurance and claims	18,421	2,349 (D)	12.8%	9,550	18,421	2,349	24.7%	9,516
Interdepartmental charges	756,609	189,147	25.0%	756,609	724,901	181,224	25.0%	724,901
Depreciation	-	374	0.0%	1,600	2,100	899	25.0%	3,598
Other	28,350	461 (E)	1.6%	17,350	19,920	3,745	23.1%	16,236
Total Operating Expenses	8,457,303	2,130,429	25.2%	8,013,488	8,262,004	2,285,600	28.8%	7,924,367
OPERATING INCOME (LOSS)	(3,641,694)	(297,488)	8.2%	(3,776,672)	(3,456,227)	(539,679)	14.3%	(3,767,058)
OPERATING TRANSFERS IN	3,283,695	824,208	25.1%	3,283,695	3,290,008	890,931	27.1%	3,290,008
OPERATING TRANSFERS OUT	(45,095)	(22,831) (F)	50.6%	(45,095)	(52,809)	(23,957)	46.4%	(51,686)
OVER (UNDER) SUBSIDY	\$ (403,094)	\$ 503,889	-125.0%	\$ (538,072)	\$ (219,028)	\$ 327,295	-61.9%	\$ (528,736)
ONE-TIME TRANSFERS	\$ 1,100,000	\$ 494,908 (G)	45.0%	\$ 1,100,000	-	-	0.0%	-

(A) Revenues are higher than budget due to the large number of registrants during the summer program - In Recreation division: adult/youth swim classes, adult special Interests, and camps; In Cultural Services division-adult performing arts and adult/youth fine arts classes. Farmers Market revenues are also higher during the quarter.

(B) Salaries for the recurrent/seasonal employees in the Recreation Division are high due to the summer seasonal programs and is 3.3% more than budget during the quarter or \$72,000. Salaries this fiscal year's quarter is lower than last year's first quarter due to the following: Workers compensation claims up to 4 years is lower by \$25,303 this fiscal year; recurrent/seasonal employees are lower by \$54,512 and overtime pay lower by \$15,582.

(C) Services and supplies are high due to the cultural Services Division advanced purchase of supplies and materials. Classroom rental charges from CAC are high due to the large volume of registrants during the summer program.

(D) There have been no claims paid as of September, and the amount shown reflects administration charges only.

(E) There are no membership dues, travel, and training expenses incurred in the first quarter.

(F) Transfers to the Telephone, Data and Radio Communications replacement funds are at a 100% of budget

(G) This transfer eliminate the beginning (July 1st) negative cash balance of the Parks and Recreation Enterprise Fund

Schedule M-2

PARKS AND RECREATION - RECREATION SERVICES STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL FOR THREE MONTHS ENDED SEPTEMBER 30, 2011-25.1% EXPIRED

	FY2012 Annual Budget	FY2012 Year-To-date Actual Without Enc.	FY2012 Budget % Without Enc.	Projected Actual 06/30/2012	FY2011 Annual Budget	FY2011 Year-to-date Actual Without Enc.	FY2011 Actual to Actual % Without Enc.	FY2011 Prior Year Total
OPERATING REVENUES								
Charges for services	\$ 3,494,526	1,199,190 (A)	34.3%	\$ 2,977,540	3,330,500	\$ 1,164,795	39.6%	2,943,145
Others	1,200	550	45.8%	3,000	10,394	287	2.8%	10,250
Total Operating Revenues	3,495,726	1,199,740	34.3%	2,980,540	3,340,894	1,165,082	39.4%	2,953,395
OPERATING EXPENSES:								
Salaries and employee benefits	4,205,997	1,123,755 (B)	26.7%	4,205,997	4,035,797	1,218,116	29.8%	4,083,253
Services and supplies	882,075	210,167	23.8%	680,000	808,208	186,053	28.1%	663,233
Other professional services	669,839	82,252	12.3%	520,000	623,745	127,979	25.8%	495,990
Insurance and claims	18,421	2,349 (C)	12.8%	9,550	18,421	2,349	24.7%	9,516
Interdepartmental charges	754,409	188,598	25.0%	754,409	724,901	181,224	25.0%	724,901
Depreciation	-	374	0.0%	1,600	-	374	25.0%	1,498
Other	22,550	246 (D)	1.1%	13,000	14,020	3,153	26.2%	12,028
Total Operating Expenses	6,553,291	1,607,741	24.5%	6,184,556	6,225,092	1,719,247	28.7%	5,990,419
OPERATING INCOME (LOSS)	(3,057,565)	(408,001)	13.3%	(3,204,016)	(2,884,198)	(554,165)	18.2%	(3,037,024)
OPERATING TRANSFERS IN	2,579,816	647,534	25.1%	2,579,816	2,579,816	699,254	27.1%	2,579,816
OPERATING TRANSFERS OUT	(40,595)	(21,701) (E)	53.5%	(40,595)	(48,309)	(22,832)	48.4%	(47,186)
OVER (UNDER) SUBSIDY	\$ (518,344)	\$ 217,832	-42.0%	\$ (664,795)	\$ (352,691)	\$ 122,257	-24.2%	\$ (504,394)
ONE-TIME TRANSFERS	\$ 1,100,000	\$ 494,908 (F)	45.0%	\$ 1,100,000	-	-	0.0%	-

(A) Charges for services are higher than budget due to high volume of registrants during the summer program specially in adult/youth swim classes, adult special interests and camps. Farmers Market revenues are approximately \$23,000 more than budget this quarter.

(B) Salaries for the recurrent/seasonal employees are high due to the summer seasonal programs and is 3.3% more than budget during the quarter or \$72,000. Salaries this fiscal year's quarter is lower than last year's first quarter due to the following: Workers compensation claims up to 4 years is lower by \$25,303 this fiscal year; recurrent/seasonal employees are lower by \$54,512 and overtime pay lower by \$15,582.

(C) There have been no claims paid as of September, and the amount shown reflects administration charges only.

(D) There are no membership dues, travel, and training expenses incurred in the first quarter.

(E) Transfers to the Telephone, Data and Radio Communications replacement funds are at a 100% of budget

(F) This transfer eliminate the beginning (July 1st) negative cash balance of the Parks and Recreation Enterprise Fund.

Schedule M-3

PARKS AND RECREATION - CULTURAL SERVICES

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL
FOR THREE MONTHS ENDED SEPTEMBER 30, 2011-25.1% EXPIRED

	FY 2012 FY 2012 Annual Budget	FY 2012 Year-To-date Actual Without Enc.	FY 2012 Budget % Without Enc.	Projected Actual 06/30/2012	FY2011 FY2011 Annual Budget	FY2011 Year-to-date Actual Without Enc.	FY2011 Actual to Actual % Without Enc.	FY2011 Prior Year Total
OPERATING REVENUES								
Charges for services	\$ 1,319,883	\$ 633,201 (A)	48.0%	\$ 1,256,276	1,464,883	\$ 580,839	48.2%	1,203,914
Total Operating Revenues	1,319,883	633,201	48.0%	1,256,276	1,464,883	580,839	48.2%	1,203,914
OPERATING EXPENSES:								
Salaries and employee benefits	1,091,300	256,846	23.5%	1,080,000	1,079,200	267,331	25.1%	1,063,225
Services and supplies	252,382	121,982 (B)	48.3%	252,382	397,382	145,764	37.8%	385,323
Other professional services	552,330	143,096	25.9%	490,000	552,330	152,140	31.8%	479,092
Interdepartmental Charges	2,200	549	25.0%	2,200	2,100	525	25.0%	2,100
Other	5,800	215 (C)	3.7%	4,350	5,900	592	14.1%	4,208
Total Operating Expenses	1,904,012	522,688	27.5%	1,828,932	2,036,912	566,352	29.3%	1,933,948
OPERATING INCOME (LOSS)	(584,129)	110,513	-18.9%	(572,656)	(572,029)	14,487	-2.0%	(730,034)
OPERATING TRANSFERS IN	703,879	176,674	25.1%	703,879	710,192	191,677	27.0%	710,192
OPERATING TRANSFERS OUT	(4,500)	(1,130)	25.1%	(4,500)	(4,500)	(1,125)	25.0%	(4,500)
OVER (UNDER) SUBSIDY	\$ 115,250	\$ 286,057	248.2%	\$ 126,723	\$ 133,663	\$ 205,039	-842.3%	\$ (24,342)

(A) Charges for Services are higher than budget due to the high volume of registrants during the summer program specially in adult and youth fine arts classes and adult performing arts.

(B) Services and supplies are high due to the division's advanced purchase of supplies and materials. Classroom rental charges from CAC are high due to the large volume of registrants during the summer program.

(C) There were no out of town travel incurred in the first quarter.

PARKS AND RECREATION ENTERPRISE FUND**STATEMENT OF CASH FLOWS
FOR THREE MONTHS ENDED SEPTEMBER 30, 2011****Cash flows from operating activities**

Operating loss	\$ (297,488)	
Adjustments to reconcile operating loss to net cash used by operating activities		
Depreciation	374	
Decrease in receivable-miscellaneous	64,089	
Decrease in due from other governments	125,026	
(Decrease) in accounts payable	(100,547)	
(Decrease) in accrued liabilities	(20,213)	
(Decrease) in deferred liabilities	(723,004)	
Net cash used by operating activities		(951,763)

Cash flows from noncapital financing activities

Operating transfers in	824,208	
Operating transfers out	(22,831)	
One-time transfers	494,908	
Net cash provided by noncapital financing activities		1,296,285

Net change in cash	344,522
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Cash and cash equivalents, July 1, 2011	(494,909)
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Cash and cash equivalents, September 30, 2011	<u>\$ (150,387)</u>
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Schedule N

CAPITAL IMPROVEMENTS FUND
BALANCE SHEET
FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011

ASSETS

Pooled Cash and Investments	\$ 21,370,555
Accounts Receivables	-
Total Assets	\$ 21,370,555

LIABILITIES AND FUND EQUITY**Current Liabilities**

Accounts Payable	\$ 250,795
Retainage Payable	87,847
Total Liabilities	338,642

Fund Equity

Retained Earnings - Reserved	21,031,913
Total Fund Equity	21,031,913

Total Liabilities and Fund Equity	\$ 21,370,555
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Schedule N-1

*CAPITAL IMPROVEMENTS FUND**Statement of Revenues, Expenditures
and Changes in Fund Balances**FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED*

	<u>Actual</u>
Revenues:	
Other	\$ 27,723
Total revenues	27,723
Expenditures:	
Current:	
Salaries & Benefits	21,072
Materials, supplies and services	8,590
Professional and Technical	79,004
Capital outlay	6,608
Total expenditures	115,274
Excess (deficiency) of revenues over expenditures	(87,551)
Operating transfers in	-
Operating transfers out	(310,008)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (397,559)
Fund balance, July 1, 2011	21,429,472
Fund balance, September 30, 2011	\$ 21,031,913

Note 1: This fund is managed by a multi-year project budget, and therefore a budget to actual comparison has not been presented.

PROP C LOCAL RETURN/GRANTS AND DISCRETIONARY FUNDS**BALANCE SHEET**

September 30, 2011

ASSETS

Pooled Cash and Investments	\$	5,247,323
Interest Receivables		14,792
Total Assets	\$	5,262,115

LIABILITIES AND FUND EQUITY**Current Liabilities**

Retention Payable	\$	92,498
Total Liabilities		92,498

Fund Equity

Retained Earnings - Reserved		5,169,617
Total Fund Equity		5,169,617

Total Liabilities and Fund Equity	\$	5,262,115
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PROP C LOCAL RETURN/GRANTS AND DISCRETIONARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THREE MONTHS ENDED SEPTEMBER 30, 2011 - 25.1% EXPIRED

	<u>Actual</u>
Revenues:	
Use of money and property	\$ 23,135
Charges for Services	438,698
Total revenues	461,833
Expenditures:	
Charges from Other Departments	28,538
Professional /Contract Services	141,019
Total expenditures	169,557
Excess (deficiency) of revenues over expenditures	292,276
Operating transfers out	(330,482)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (38,206)
Fund balance, July 1, 2011	5,207,823
Fund balance, September 30, 2011	\$ 5,169,617

Schedule P

TORRANCE PUBLIC FINANCING AUTHORITY RESTRICTED CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED

	2004 A&B Certificates of Participation 43.13m Refunding Actual	2009A Certificates of Participation 18.8m Refunding Actual	Total
Revenues:			
Use of money and property	\$ -	\$ -	\$ -
Total revenues	-	-	-
Expenditures:			
Salaries & Benefits	-	-	-
Materials & Supplies	22	-	22
Professional Technical	-	-	-
Debt Service	-	-	-
Capital outlay	-	-	-
Total expenditures	22	-	22
Excess (deficiency) of revenues over expenditures	(22)	-	(22)
Other financing sources (uses):			
Operating transfers out	-	-	-
Operating transfers in	-	-	-
Proceeds from Bond	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(22)	-	(22)
Fund balance, July 1, 2011	\$ 1,853,471	\$ -	\$ 1,853,471
Fund balance, September 30, 2011	\$ 1,853,449	\$ -	\$ 1,853,449

Note: This fund is managed by a multi-year project budget, and therefore a budget to actual comparison has not been presented.

Schedule Q

DOWNTOWN REDEVELOPMENT CAPITAL PROJECT FUND STATEMENT OF REVENUES AND EXPENDITURES - BUDGET TO ACTUAL FOR THREE MONTHS ENDED SEPTEMBER 30, 2011-25.1% EXPIRED

	FY2012			FY2012				FY 2011				
	Annual	Year-To-Date		Budget	Projected			Year-to-date	FY 2011			
	Budget	Actual		%	Actual			Actual	Actual to			
		Without		Without	6/30/2012			Without	Without			
		Enc.		Enc.				Enc.	Enc.			
Revenues:												
Use of money and property	\$	\$ 7,998	(A)	N/A	\$ 31,992	\$	37,326	\$ 2,735	16.1%	\$	16,966	(B)
Total revenues	—	7,998		N/A	31,992	37,326	2,735	16.1%		16,966		
Expenditures:												
Salaries & employee benefits	58,400	14,883		25.5%	58,400	57,700	8,258	14.8%		55,712		
Materials suppl & maintenance	11,058	—		0.0%	—	63,138	—	0.0%		49,786	(D)	
Prof services/contracts & utilities	228,663	19,321	(C)	8.4%	228,663	228,663	10,303	10.6%		96,743		
Travel, training & membership dues	56,019	1,315	(E)	2.3%	10,200	56,019	1,979	18.2%		10,888		
Interdepartmental charges	15,517	3,879		25.0%	15,517	15,217	3,804	25.0%		15,217		
Total expenditures	369,657	39,398		10.7%	312,780	420,737	24,344	10.7%		228,346		
Excess (deficiency) of revenues over expenditures	(369,657)	(31,400)		8.5%	(280,788)	(383,411)	(21,609)	10.2%		(211,380)		
Other financing sources (uses):												
Advances from the City	314,638	78,974		25.1%	314,638	312,561	78,765	25.2%		312,561	(D)	
Operating transfers in	—	—		N/A	—	52,080	—	N/A		52,080		
Operating transfers out	(22,558)	(8,744)		38.8%	(22,558)	(22,638)	(8,798)	38.9%		(22,638)		
Total other financing sources, net	292,080	70,230		24.0%	292,080	342,003	69,967	20.5%		342,003		
From Fund Balance	77,577	—		0.0%	—	41,408	—	N/A		—		
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ —	\$ 38,830		N/A	\$ 11,292	\$ —	\$ 48,358	N/A		\$ 130,623		

- (A) Lease payments for parking spaces in the Downtown areas received from businesses such as restaurants and dental offices.
- (B) Certain tenants requested for rent relief in their leases as their businesses continue to suffer due to the economy.
- (C) It is projected that contract services will be spent by year-end depending on State's actions on Redevelopment Agencies.
- (D) Cost for installation of decorative lights on El Prado approved by Council on October 19, 2010 Item 4b
- (E) Out of town travel expenses were low during the first quarter.

Schedule Q-1

LOW MODERATE INCOME HOUSING REDEVELOPMENT CAPITAL PROJECT FUND STATEMENT OF REVENUES AND EXPENDITURES - BUDGET TO ACTUAL FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011-25.1% EXPIRED

	FY 2012			FY 2012			FY 2011	FY 2011	FY 2011	
	Annual	Year-To-Date		Budget	Projected		Annual	Year-to-date	Actual to	FY 2011
	Budget	Actual		%	Actual		Budget	Without Enc.	Actual %	Prior Year
		Without Enc.		Without Enc.	6/30/2012				Without Enc.	Total
Revenues:										
Use of money and property	\$ 33,000	\$ 8,247		25.0%	\$ 33,000	\$ 180,000	\$ 49,538		N/A	\$ —
Others	—	20,750 (A)		0.0%	77,000	103,800	—		0.0%	73,874
Total revenues	33,000	28,997		87.9%	110,000	283,800	49,538		67.1%	73,874
Expenditures:										
Salaries & employee benefits	214,250	32,299 (D)		15.1%	155,000	248,550	57,663		31.8%	181,391
Materials suppl & maintenance	166,342	29,345		17.6%	135,200	156,981	36,300		27.8%	130,550
Prof services/contracts & utilities	170,054	8,583 (E)		5.0%	170,054	170,054	2,044		21.7%	9,415
Travel, training & membership dues	1,100	—		0.0%	—	1,100	—		N/A	—
Interdepartmental charges	3,967	990		25.0%	3,967	3,901	972		24.9%	3,901
Total expenditures	555,713	71,217		12.8%	464,221	580,586	96,979		29.8%	325,257
Excess (deficiency) of revenues over expenditures	(522,713)	(42,220)		8.1%	(354,221)	(296,786)	(47,441)		18.9%	(251,383)
Other financing sources (uses):										
Proceeds from RDA Loans	172,376	— (B)		0.0%	172,376	—	—		N/A	—
Operating transfers in	1,716,541	— (C)		0.0%	1,600,000	1,894,953	—		N/A	1,701,007
Operating transfers out	(18,800)	(4,700)		25.0%	(18,800)	(21,093)	(4,738)		22.5%	(21,093)
Total other financing sources, net	1,870,117	(4,700)		-0.3%	1,753,576	1,873,860	(4,738)		-0.3%	1,679,914
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ 1,347,404	\$ (46,920)		N/A	\$ 1,399,355	\$ 1,577,074	\$ (52,179)		N/A	\$ 1,428,531

- (A) Three monthly rental payments of \$6,250 or total of \$18,750 from a termite company and \$2,000 rental payments the theater company.
- (B) Budget represents loan payment from the Skypark debt service fund which will be posted in the second quarter. The loan was used to pay SERAF in the prior years.
- (C) This represents the 20% Low Mod Housing set-aside from the Debt Service funds which is calculated based on the actual tax increments received. Property tax increments receipts comes in the second quarter.
- (D) The Home Improvement Program Coordinator charged his first quarter salaries to the Human Resources operating budget instead of the Home Improvement program (HIP) were he is budgeted at. The HIP program is reimbursed by the Low/Moderate Housing. These salaries (approx \$16,000) will be reclassified in the second quarter.
- (E) Hiring consultants are on hold due to the uncertainty of the State's actions on Redevelopment agencies. Legal and contract services will be needed for the properties that Redevelopment bought specifically the 1640 Cabrillo. It is projected that the annual budget will be spent by year-end pending State's actions.

Note: The Low Mod Housing Fund has a cash balance of \$7,123,813 as of 9/30/2011 that is available for projects.

Schedule R

**TORRANCE PUBLIC FINANCING AUTHORITY DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED**

	1998 Certificates of Participation 10.3m Refunding	2004 A&B Certificates of Participation 43.13m Refunding	2009A Certificates of Participation 18.8m Refunding	Total
Revenues:				
Use of money and property:				
Investment Earnings	\$ -	\$ (4,813)	\$ (2,188)	\$ (7,001)
Rental Income	-	-	752,557	752,557
Total revenues	-	(4,813)	750,369	745,556
Expenditures:				
Bond and other loan principal	-	-	315,000	315,000
Bond and other loan interest	-	-	472,459	472,459
Total expenditures	-	-	787,459	787,459
Excess (deficiency) of revenues	-	(4,813)	(37,090)	(41,903)
Other financing sources (uses):				
Operating transfers out	-	-	-	-
Operating transfers in	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	(4,813)	(37,090)	(41,903)
Fund balances, July 1, 2011	\$ 553,085	\$ 2,804,076	\$ 1,293,790	\$ 4,650,951
Fund balances, September 30, 2011	\$ 553,085 (A)	\$ 2,799,263 (A)	\$ 1,256,700 (A)	\$ 4,609,048 (A)

(A) Represents required bond reserves held with the fiscal agent.

Schedule S

SKYPARK REDEVELOPMENT DEBT SERVICE FUND STATEMENT OF REVENUES & EXPENDITURES - BUDGET TO ACTUAL FOR THREE MONTHS ENDED SEPTEMBER 30, 2011-25.1% EXPIRED

	FY 2012			FY 2012				FY 2011	FY 2011	FY 2011	FY 2011
	Annual	Year-To-Date		Budget	Projected			Annual	Year-to-date	Actual to	Prior Year
	Budget	Actual		Without Enc.	Actual			Budget	Actual	Actual %	Total
		Without Enc.			6/30/2012				Without Enc.	Without Enc.	
Revenues:											
Property taxes	\$ 670,888	\$ —	(A)	0.0%	\$ 621,000	\$ 671,805	\$ —	0.0%	\$ 620,313		
Use of money and property	—	—		N/A	—	9,200	—	N/A	—		
Total revenues	670,888	—		0.0%	621,000	681,005	—	0.0%	620,313		
Expenditures:											
Administration	12,189	—	(B)	0.0%	12,189	10,240	580	4.9%	11,950		
Bond and other loan principal	491,692	156,527	(C)	31.8%	491,692	295,225	144,718	49.0%	295,225		
Bond and other loan interest	32,829	19,545	(D)	59.5%	32,829	56,919	31,354	55.1%	56,919		
SERAF (Supplemental Educational Rev Aug Fd)	—	—		N/A	—	437,173	—	0.0%	437,172		
Total expenditures	536,710	176,072		32.8%	536,710	799,557	176,652	22.0%	801,266		
Excess (deficiency) of revenues over expenditures	134,178	(176,072)		-231.2%	84,290	(118,552)	(176,652)	97.6%	(180,953)		
Other financing sources (uses):											
Operating transfers out - Low-Mod Housing Fund	(134,178)	—	(A)	0.0%	(124,200)	(133,946)	—	0.0%	(124,063)		
Total other financing sources (uses)	(134,178)	—		0.0%	(124,200)	(133,946)	—	0.0%	(124,063)		
From Fund Balance	—	—		N/A	—	252,498	63,629	25.2%	252,498		
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ —	\$ (176,072)		N/A	\$ (39,910)	\$ —	\$ (113,023)	215.2%	\$ (52,518)		

- (A) Property tax increments are received in the second quarter. Low-Mod Housing set-aside is proportionate with the actual tax increments received.
- (B) Bond admin fees are billed by the County in December.
- (C) Bond principal is paid semi-annually (July 1 and January 1). The loan payment of \$172,376 to Low Moderate Housing Fund will be paid in the second quarter. This loan was used to pay SERAF.
- (D) Bond interest is paid semi-annually (July 1 and January 1).

Schedule S-1

DOWNTOWN REDEVELOPMENT DEBT SERVICE FUND STATEMENT OF REVENUES & EXPENDITURES - BUDGET TO ACTUAL FOR THREE MONTHS ENDED SEPTEMBER 30, 2011-25.1% EXPIRED

	<i>FY 2012 Annual Budget</i>	<i>FY 2012 Year-To-Date Actual Without Enc.</i>	<i>Budget % Without Enc.</i>	<i>Projected Actual 5/30/2012</i>	<i>FY 2011 Annual Budget</i>	<i>FY 2011 Year-to-date Actual Without Enc.</i>	<i>FY 2011 Actual to Actual % Without Enc.</i>	<i>FY 2011 Prior Year Total</i>
Revenues:								
Property taxes	\$ 1,711,443	\$ —	(A)	N/A	\$ 1,711,443	\$ —	0.0%	\$ 1,902,370
Use of money and property	7,500	3,787	(B)	50.5%	72,713	13,053	62.8%	20,790
Total revenues	1,718,943	3,787	0.2%	1,726,591	2,041,775	13,053	0.7%	1,923,160
Expenditures:								
Administration	32,300	1,723	(C)	5.3%	32,300	1,797	5.3%	33,819
Bond and other loan principal	220,000	220,000	(D)	100.0%	220,000	210,000	100.0%	210,000
Bond and other loan interest	1,569,511	181,881	(D)	11.6%	1,569,511	266,106	7.6%	3,521,693
Other	980,657	—	(A)	0.0%	980,657	—	0.0%	1,077,871
Total expenditures	2,802,468	403,604	14.4%	2,802,468	5,178,354	477,903	9.9%	4,843,383
Excess (deficiency) of revenues over expenditures	(1,083,525)	(399,817)	36.9%	(1,075,877)	(3,136,579)	(464,850)	15.9%	(2,920,223)
Other financing sources (uses):								
Operating transfers out - Low Mod Housing	(342,289)	—	(A)	0.0%	(342,289)	—	0.0%	(380,474)
Operating transfers out - Downtown Capital	—	—	N/A	—	(52,080)	—	0.0%	(52,080)
Advances from county deferred share	1,716,154	—	(E)	0.0%	1,565,000	—	0.0%	1,565,411
Total other financing sources (uses)	1,373,865	—	0.0%	1,222,711	1,093,017	—	0.0%	1,132,857
From Fund Balance	—	—	N/A	—	2,043,562	464,850	26.0%	1,787,366
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ 290,340	\$ (399,817)	N/A	\$ 146,834	\$ —	\$ —	N/A	\$ —

- (A) Property tax increments are received in the second quarter. The amount of the County pass-thru (shown as "other" above) and the operating transfers to Low-Mod Housing are directly proportional to the amount of property tax increments received. Actual tax increments are anticipated to be lower as a result of a decrease in the assessed valuation.
- (B) Budget for interest earnings was adjusted this fiscal year. Interest earnings are projected to be more than budget by year end.
- (C) Bond admin fees are billed by the County in December.
- (D) Bond principal is paid annually on or before Sept 1; Interest is paid semi-annually (Sept 1 and March 1); Budget includes interest payment on City advances.
- (E) County deferred share is received at the end of the fiscal year.

Schedule S-2

INDUSTRIAL REDEVELOPMENT DEBT SERVICE FUND STATEMENT OF REVENUES & EXPENDITURES - BUDGET TO ACTUAL FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2011-25.1% EXPIRED

	<i>FY2012</i> <i>Annual</i> <i>Budget</i>	<i>FY2012</i> <i>Year-To-Date</i> <i>Actual</i> <i>Without Enc.</i>		<i>FY2012</i> <i>Budget</i> <i>%</i> <i>Without Enc.</i>	<i>Projected</i> <i>Actual</i> <i>6/30/2012</i>	<i>FY 2011</i> <i>Annual</i> <i>Budget</i>	<i>FY 2011</i> <i>Year-to-date</i> <i>Actual</i> <i>Without Enc.</i>	<i>FY 2011</i> <i>Actual to</i> <i>Actual %</i> <i>Without Enc.</i>	<i>FY 2011</i> <i>Prior Year</i> <i>Total</i>
Revenues:									
Sales tax	\$ 1,687,000	300,134	(A)	17.8%	\$ 1,662,000	\$ 1,560,000	\$ 300,369	18.1%	\$ 1,662,056
Property tax Flip	545,900	—	(B)	0.0%	545,900	537,896	—	0.0%	537,374
Property taxes	6,200,371	—	(C)	0.0%	5,980,000	6,833,898	—	0.0%	5,982,355
Use of money and property	64,500	—	(D)	0.0%	64,500	113,228	—	0.0%	65,034
Total revenues	8,497,771	300,134		3.5%	8,252,400	9,045,022	300,369	3.6%	8,246,819
Expenditures:									
Administration	128,300	4,188	(E)	3.3%	128,300	105,000	8,081	6.4%	125,970
Bond and other loan principal	1,160,000	1,160,000	(F)	100.0%	1,160,000	1,075,000	1,075,000	100.0%	1,075,000
Bond and other loan interest	1,304,098	643,771	(G)	49.4%	1,304,098	1,365,109	672,611	49.3%	1,365,108
Other	2,232,134	—	(C)	0.0%	2,093,000	2,391,864	—	0.0%	1,836,885
Total expenditures	4,824,532	1,807,959		37.5%	4,685,398	4,936,973	1,755,692	39.9%	4,402,963
Excess (deficiency) of revenues over expenditures	3,673,239	(1,507,825)		141.0%	3,567,002	4,108,049	(1,455,323)	-37.9%	3,843,856
Other financing sources (uses):									
Operating transfers out - General Fund	(2,433,165)	(608,291)		25.0%	(2,433,165)	(3,210,914)	(807,240)	25.1%	(3,210,914)
Operating transfers out - Low Mod Housing	(1,240,074)	—	(C)	0.0%	(1,196,000)	(1,366,780)	—	0.0%	(1,196,471)
Total other financing sources (uses)	(3,673,239)	(608,291)		16.6%	(3,629,165)	(4,577,694)	(807,240)	18.3%	(4,407,385)
From Fund Balance	—	—		N/A	—	469,645	118,351	N/A	469,645
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ —	\$ (2,116,116)		N/A	\$ (62,163)	\$ —	\$ (2,144,212)	2283.9%	\$ (93,884)

- (A) Sales tax revenues projected to be slightly lower than budget by year-end.
 (B) Tax Flip will be received in December and June.
 (C) Property tax increments are received in the second quarter. The amount of the County pass-thru (shown as "other" above) and the operating transfers to Low-Mod Housing are directly proportional to the amount of incremental property tax received. Actual tax increments are projected to be lower due to a 7.5% decrease in the assessed valuation.
 (D) Interest earnings will be allocated once property tax increments are received.
 (E) Bond admin fees are billed by the County in December.
 (F) Annual bond principal was paid on September 2011.
 (G) Bond interest paid on September and semi-annual payment is due on March 2012.

HOUSING AUTHORITY OF THE CITY OF TORRANCE (HA)**BALANCE SHEET
SEPTEMBER 30, 2011**

	<u>SEPTEMBER 30, 2011</u>
ASSETS	
Pooled Cash and Investments	\$ 475,534
Prepayments	519,125
<i>Total Current Assets</i>	<u>994,659</u>
Total Assets	\$ 994,659
LIABILITIES AND FUND EQUITY	
FUND EQUITY	
Administration Fund Balance	\$ 468,010
Housing Assistance Fund Balance	526,649
<i>Total Fund Equity</i>	<u>994,659</u>
Total Liabilities and Fund Equity	\$ 994,659

**HOUSING AUTHORITY OF THE CITY OF TORRANCE (HA) - COMBINED
STATEMENT OF REVENUE AND EXPENSES - BUDGET TO ACTUAL
FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED**

Schedule T-1

	Annual Budget	Year-to-Date Actual Without Enc.	Budget % Without Enc.	Projected Actuals 06/30/2012	FY 2011 Annual Budget	FY 2011 Year-to-date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
Revenues:								
Use of money and property	\$ 10,000	\$ 3,031 (A)	30.3%	11,000	\$ 26,000	\$ 3,929	30.8%	\$ 12,756
Section 8 Fraud Recovery	12,000	1,472 (B)	12.3%	12,000	12,000	5,059	14.4%	35,064
Section 8 Voucher Program - HAP	6,100,000	1,489,860	24.4%	6,100,000	5,600,000	1,410,780	24.2%	5,836,418
Section 8 Voucher Program - Admin fees	696,000	153,925	22.1%	637,200	696,000	180,854	25.4%	711,306
Section 8 Admin Fee Earned - Port In	-	6,122 (C)	NA	18,000	-	4,769	15.1%	31,674
Total revenues	6,818,000	1,654,410	24.3%	6,778,200	6,334,000	1,605,391	24.2%	6,627,218
Expenditures:								
Salaries & Benefits	531,600	131,750	24.8%	531,600	528,100	119,754	24.3%	492,111
Materials & Supplies	16,134	1,665 (D)	10.3%	8,100	13,020	1,612	17.9%	8,982
Housing Assistance Payments (HAP)	6,180,000	1,502,539	24.3%	6,180,000	6,130,000	1,526,153	25.6%	5,957,418
Professional/Technical Services	40,000	5,497 (D)	13.7%	15,500	25,000	5,138	36.7%	14,006
Inter-departmental Charges	123,027	26,302	21.4%	101,000	96,100	22,825	24.3%	93,797
Others	5,000	- (D)	0.0%	1,500	5,000	-	0.0%	841
Capital outlay	17,800	- (E)	0.0%	3,500	8,300	1,702	99.9%	1,703
Total expenditures	6,913,561	1,667,753	24.0%	6,841,200	6,805,520	1,677,184	25.5%	6,568,858
Operating Income (Loss)	(95,561)	(13,343)	14.0%	(63,000)	\$ (471,520)	\$ (71,793)	-123.0%	\$ 58,360
Fund balances - July 1, 2011	1,008,002	1,008,002	100.0%	1,008,002				
Fund balances - September 30, 2011	\$ 912,441	\$ 994,659	109.0%	\$ 945,002				

(A) The budget for interest earnings was substantially decreased from \$26,000 to \$10,000, earnings are better than anticipated.

(B) The Housing Authority (HA) is collecting on several fraud cases and half of the revenue is tracked in the Housing Assistance Payments Fund and the other half is recorded as part of Administration revenue. Revenues from fraud recovery are lower this year than anticipated.

(C) The Housing Authority did not anticipate the revenue associated in administering the various Port-ins this fiscal year.

(D) Materials, professional services, supplies and other expenditures are expended on as needed basis.

(E) The capital outlay budget assists the Housing Authority to purchase replacement computers for the staff as the need arises.

HOUSING AUTHORITY OF THE CITY OF TORRANCE (HA)
STATEMENT OF REVENUE AND EXPENSES - HOUSING ASSISTANCE PAYMENTS (HAP) - BUDGET TO ACTUAL
FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED

	Annual Budget	Year-to-Date Actual Without Enc.	Budget % Without Enc.	Projected Actual 06/30/2012	FY 2011 Annual Budget	FY 2011 Year-to-date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
Revenues:								
Use of money and property	\$ 2,000	\$ 1,058 (A)	52.9%	\$ 4,000	\$ 18,000	\$ 1,920	39.6%	\$ 4,845
Section 8 Fraud Recovery - 1/2 HAP	6,000	736 (B)	12.3%	6,000	6,000	2,530	14.4%	17,532
Section 8 Voucher Program - HAP	6,100,000	1,489,860	24.4%	6,100,000	5,600,000	1,410,780	24.2%	5,836,418
Total revenues	6,108,000	1,491,654	24.4%	6,110,000	5,624,000	1,415,230	24.2%	5,858,795
Expenditures:								
Housing Assistance Payments (HAP)	6,180,000	1,502,539	24.3%	6,180,000	6,130,000	1,526,153	25.6%	5,957,418
Total expenditures	6,180,000	1,502,539	24.0%	6,180,000	6,130,000	1,526,153	25.6%	5,957,418
Operating Income (Loss)	(72,000)	(10,885)	15.1%	(70,000)	\$ (506,000)	\$ (110,923)	112.5%	\$ (98,623)
Fund balances - July 1, 2011	537,534	537,534	100.0%	537,534				
Fund balances - September 30, 2011	\$ 465,534	\$ 526,649	113.1%	\$ 467,534				

(A) The budget for interest earnings was substantially decreased from \$18,000 to \$2,000, earnings are better than anticipated.

(B) The Housing Authority (HA) is collecting on several fraud cases and half of the revenue is tracked in the Housing Assistance Payments Fund.

Revenues from fraud recovery are lower this year than anticipated.

Schedule T-3

HOUSING AUTHORITY OF THE CITY OF TORRANCE (HA) STATEMENT OF REVENUE AND EXPENSES - ADMINISTRATION - BUDGET TO ACTUAL FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED

	Annual Budget	Year-to-Date Actual Without Enc.	Budget % Without Enc.	Projected Actual 06/30/2012	FY 2011 Annual Budget	FY 2011 Year-to-date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
Revenues:								
Use of money and property	\$ 8,000	\$ 1,973	24.7%	\$ 7,000	\$ 8,000	\$ 2,009	25.4%	\$ 7,911
Section 8 Fraud Recovery - 1/2 Admin	6,000	736 (A)	12.3%	6,000	6,000	2,529	14.4%	17,532
Section 8 Voucher Program - Admin fees	696,000	153,925	22.1%	637,200	696,000	180,854	25.4%	711,306
Section 8 Admin Fee Earned - Port In	-	6,122 (B)	NA	18,000	-	4,769	15.1%	31,674
Total revenues	710,000	162,756	22.9%	668,200	710,000	190,161	24.7%	768,423
Expenditures:								
Salaries & Benefits	531,600	131,750	24.8%	531,600	528,100	119,754	24.3%	492,111
Materials & Supplies	16,134	1,665 (C)	10.3%	8,100	13,020	1,612	17.9%	8,982
Professional/Technical Services	40,000	5,497 (C)	13.7%	15,500	25,000	5,138	36.7%	14,006
Inter-departmental Charges	123,027	26,302	21.4%	101,000	96,100	22,825	24.3%	93,797
Others	5,000	- (C)	0.0%	1,500	5,000	-	0.0%	841
Capital outlay	17,800	- (D)	0.0%	3,500	8,300	1,702	99.9%	1,703
Total expenditures	733,561	165,214	23.0%	661,200	675,520	151,031	24.7%	611,440
Operating Income (Loss)	(23,561)	(2,458)	10.4%	7,000	\$ 34,480	\$ 39,130	24.9%	\$ 156,983
Fund balances - July 1, 2011	470,468	470,468	100.0%	470,468				
Fund balances - September 30, 2011	\$ 446,907	\$ 468,010	104.7%	\$ 477,468				

(A) The Housing Authority (HA) is collecting on several fraud cases and half of the collection is tracked in the Housing Admin revenues.

Revenues from fraud recovery are lower this year than anticipated.

(B) The Housing Authority did not anticipate the revenue associated in administering the various Port-ins this fiscal year.

(C) Materials, professional services, supplies and other expenditures are expended on as needed basis.

(D) The capital outlay budget assists the Housing Authority to purchase replacement computers for the staff as the need arises.

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Schedule U

Selected Special Revenue Funds

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (Deficits)

For Three Months Ended September 30, 2011 - 25.1% Expired

	Parks and Recreation Facilities Fund	Seismic Education Fund	Street Lighting Assessment Fund	Drainage Improvement Fund	Parks, Rehabilitation and Open Space Fund
Revenues:					
Taxes	\$ —	\$ —	\$ 22,847	\$ —	\$ —
Fines, forfeitures and penalties	—	—	—	—	—
Use of money and property	3,948	247	—	—	21,139
Intergovernmental	1,100	—	—	—	19,760
Other	—	—	—	—	—
Total revenues	<u>5,048</u>	<u>247</u>	<u>22,847</u>	<u>—</u>	<u>40,899</u>
Expenditures:					
Current:					
Salaries & Benefits	—	—	100,705	—	—
Materials & Services	—	—	108,408	—	3,148
Professional Technical	—	—	1,459	—	—
City Charges	—	—	—	—	—
Other	—	—	287,582	—	—
Capital outlay	—	—	—	—	33,426
Total expenditures	<u>—</u>	<u>—</u>	<u>498,154</u>	<u>—</u>	<u>36,574</u>
Excess (deficiency) of revenues over expenditures	5,048	247	(475,307)	—	4,325
Other financing sources (uses):					
Transfers in	—	—	465,165	—	—
Transfers out	—	—	—	—	—
Net change in fund balance	<u>5,048</u>	<u>247</u>	<u>(10,142)</u>	<u>—</u>	<u>4,325</u>
Fund balances, July 1, 2011	<u>1,492,282</u>	<u>34,414</u>	<u>27,061</u>	<u>19,444</u>	<u>3,197,045</u>
Fund balances (Deficits), September 30, 2011	<u>\$ 1,497,330</u>	<u>\$ 34,661</u>	<u>\$ 16,919</u>	<u>\$ 19,444</u>	<u>\$ 3,201,370</u>

Schedule U-Continued

Measure R Local Return Fund	Development Impact Fund	Underground Storage Tank Fund	Geologic Hazard Abatement Fund	State Gas Tax Street Improvement Fund
\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	—	—
10,322	—	—	—	41,238
208,272	—	—	—	264,063
—	—	—	—	—
218,594	—	—	—	305,301
—	—	—	—	43,644
—	—	—	—	—
—	—	—	—	109,707
—	—	—	—	—
—	—	—	—	—
—	—	—	—	—
—	—	—	—	153,351
218,594	—	—	—	151,950
—	—	—	—	—
—	—	—	—	(261,040)
218,594	—	—	—	(109,090)
2,231,002	327,808	3,000	14,317	9,502,237
\$ 2,449,596	\$ 327,808	\$ 3,000	\$ 14,317	\$ 9,393,147

Selected Special Revenue Funds

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (Deficits)For Three Months Ended September 30, 2011
(continued)

	Meadow Park Parking Lot District Fund	Police Inmate Welfare Fund	Grants and Donations Fund	Federal Housing and Community Development Fund
Revenues:				
Taxes	\$ —	\$ —	\$ —	\$ —
Fines, forfeitures and penalties	—	—	—	—
Use of money and property	—	224	2,878	—
Intergovernmental	—	—	(676,848)	—
Other	—	—	25,533	—
Total revenues	—	224	(648,437)	—
Expenditures:				
Current:				
Salaries & Benefits	—	—	417,234	—
Materials & Services	—	—	7,273	—
Professional Technical	4,125	—	959,764	—
City Charges	—	—	—	—
Other	—	—	—	—
Capital outlay	—	—	2,548	—
Total expenditures	4,125	—	1,386,819	—
Excess (deficiency) of revenues over expenditures	(4,125)	224	(2,035,256)	—
Other financing sources (uses):				
Transfers in	—	—	—	9,225
Transfers out	—	—	(35,626)	—
Net change in fund balance	(4,125)	224	(2,070,882)	9,225
Fund balances, July 1, 2011	30,248	50,790	1,429,170	777,556
Fund balances (Deficits), September 30, 2011	\$ 26,123	\$ 51,014	\$ (641,712)	\$ 786,781

Schedule U-Continued

Asset Forfeiture Fund	El Camino Training Fund	Proposition 1B Fund	AB2928 Traffic Congestion Relief Fund	DNA Sampling Fund	Total Nonmajor Special Revenue Fund
\$ —	\$ —	\$ —	\$ —	\$ —	22,847
9,698	—	—	—	—	9,698
13,727	—	—	3,461	—	97,184
—	—	—	—	—	(183,653)
—	—	—	—	-	25,533
23,425	—	—	3,461	-	(28,391)
—	—	—	—	—	561,583
19,500	—	—	—	—	138,329
21,469	—	9,264	—	—	1,105,788
—	—	—	—	—	—
117	—	—	—	—	287,699
—	—	—	—	—	35,974
41,086	—	9,264	—	—	2,129,373
(17,661)	—	(9,264)	3,461	—	(2,157,764)
—	—	—	—	—	474,390
—	—	—	—	—	(296,666)
(17,661)	—	(9,264)	3,461	—	(1,980,040)
4,665,276	691,319	775,853	445,374	66,000	25,780,196
\$ 4,647,615	\$ 691,319	\$ 766,589	\$ 448,835	\$ 66,000	23,800,156

CABLE & COMMUNITY RELATIONS/PUBLIC ACCESS/PEG**BALANCE SHEET
SEPTEMBER 30, 2011**

	Cable & Community Relations September 30, 2011	Public Access September 30, 2011	PEG Fund September 30, 2011	Total
ASSETS				
Pooled cash and investments	\$ 2,027,899	\$ 8,077	\$ 772,424	\$ 2,808,400
Accrued interest receivable	17,747		-	17,747
Total Assets	\$ 2,045,646	\$ 8,077	\$ 772,424	\$ 2,826,147
LIABILITIES AND FUND BALANCE				
Current Liabilities				
Accounts payable	\$ 6,655	\$ -	\$ -	\$ 6,655
Accrued salaries and benefits	182,780	-	-	182,780
Total Liabilities	189,435	-	-	189,435
Fund Balance				
Unreserved	1,856,211	8,077	772,424	2,636,712
Total Liabilities and Fund Balance	\$ 2,045,646	\$ 8,077	\$ 772,424	\$ 2,826,147

CABLE & COMMUNITY RELATIONS

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL
FOR THREE MONTHS ENDED SEPTEMBER 30, 2011 - 25.1% EXPIRED

	Annual Budget (A)	Year-To-Date Actual Without Enc.	Budget % Without Enc.	Projected Actual at 6/30/2012	FY 2011 Annual Budget	FY 2011 Year-To-Date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
OPERATING REVENUES								
Franchise fees	\$ 1,700,000	\$ - (B)	0.0%	\$ 1,700,000	\$ 1,500,000	\$ -	0.0%	\$ 1,691,146
Miscellaneous	4,000	136	3.4%	4,000	28,600	391	7.7%	5,097
Total Operating Revenues	1,704,000	136	0.0%	1,704,000	1,528,600	391	0.0%	1,696,243
OPERATING EXPENSES:								
Salaries and employee benefits	901,022	208,632	23.2%	901,022	941,464	218,101	23.2%	941,558
Materials and supplies	43,163	8,917 (C)	20.7%	43,163	43,838	10,704	24.5%	43,699
Other professional services	106,929	16,899 (D)	15.8%	106,929	68,282	17,001	25.0%	68,132
Interdepartmental charges	76,528	19,134	25.0%	76,528	72,637	18,159	25.0%	72,637
Capital acquisitions	36,539	575 (E)	1.6%	36,539	24,671	16,672	67.6%	24,670
Litigation and claims	8,594	1,092 (F)	12.7%	8,594	4,365	1,092	25.0%	4,365
Other	8,500	1,068 (G)	12.6%	8,500	7,837	355	4.5%	7,837
Total Operating Expenses	1,181,275	256,317	21.7%	1,181,275	1,163,094	282,084	24.3%	1,162,898
OPERATING INCOME (LOSS)	522,725	(256,181)	-149.0%	522,725	365,506	(281,693)	-52.8%	533,345
NON-OPERATING REVENUES								
Interest income - Operations	50,000	14,813	29.6%	50,000	80,000	15,416	30.8%	49,973
Total Non-Operating Revenues	50,000	14,813	29.6%	50,000	80,000	15,416	30.8%	49,973
Income (Loss) before transfers	572,725	(241,368)	-142.1%	572,725	445,506	(266,277)	-45.6%	583,318
OPERATING TRANSFERS OUT	(497,467)	(164,156) (H)	33.0%	(497,467)	(437,352)	(113,524)	26.0%	(437,352)
NET INCOME (LOSS)	\$ 75,258	\$ (405,524)	-638.8%	\$ 75,258	\$ 8,154	\$ (379,801)	-260.2%	\$ 145,966

(A) Annual Budget includes prior year encumbrances budget of \$1,539.

(B) The first quarter revenues for approximately \$425,000 are expected to be received in November 2011. If received in the first quarter, the percentage would have been 25%.

(C) Purchase of materials and supplies are on as needed basis.

(D) Professional services are utilized as needed.

(E) Capital acquisitions are on as needed basis.

(F) There were no liability claims for liabilities under \$50,000 as of September 30, 2011.

(G) Only 1% of \$2,800 for out of town travel and none of \$1,700 for education/Training have been spent as of September 30, 2011.

(H) Transfers to Cable TV-Public Access fund and PC Replacement fund are recorded on monthly basis. Transfers to all the other replacement funds and general fund are fully recorded at the beginning of the fiscal year.

CABLE & COMMUNITY RELATIONS**STATEMENT OF CASH FLOWS
FOR THREE MONTHS ENDED SEPTEMBER 30, 2011****Cash flows from operating activities**

Operating income (loss)	\$	(256,181)	
Adjustments to reconcile operating income (loss) to net cash provided by operating activities			
(Increase) Decrease in accounts receivable		427,460	
Increase (Decrease) in accounts payable		<u>3,354</u>	
Net cash provided by operating activities	\$		174,633

Cash flows from investing activities

Interest on investments		<u>14,813</u>	
Net cash provided by investing activities			14,813

Cash flows from non-capital financing activities

Transfers-out		<u>(164,156)</u>	
Net cash used by non-capital financing activities			<u>(164,156)</u>

Net change in cash			25,290
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Cash and cash equivalents, July 1, 2011			<u>2,002,609</u>
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Cash and cash equivalents, September 30, 2011	\$		<u><u>2,027,899</u></u>
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Schedule V-3

CABLE TV - PUBLIC ACCESS

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL FOR THREE MONTHS ENDED SEPTEMBER 30, 2011 - 25.1% EXPIRED

	Annual Budget (A)	Year-To-Date Actual Without Enc.	Budget % Without Enc.	Projected Actual at 6/30/2012	FY 2011 Annual Budget	FY 2011 Year-To-Date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
OPERATING REVENUES								
TCTV workshops	\$ 412	\$ -	0.0%	\$ 400	\$ 412	\$ 220	55.0%	\$ 400
Miscellaneous	2,500	90	3.6%	2,000	2,500	797	43.4%	1,837
Total Operating Revenues	2,912	90	3.1%	2,400	2,912	1,017	45.5%	2,237
OPERATING EXPENSES:								
Salaries and employee benefits	306,311	76,873	25.1%	306,311	309,326	85,949	27.8%	309,327
Materials and supplies	20,111	2,217 (B)	11.0%	20,111	16,416	2,260	13.8%	16,415
Other professional services	19,500	3,449 (C)	17.7%	19,500	16,815	3,633	21.6%	16,814
Interdepartmental charges	36,199	9,051	25.0%	36,199	34,357	8,592	25.0%	34,357
Capital outlay	25,770	288 (D)	1.1%	25,770	32,692	19,718	60.3%	32,692
Litigation and claims	4,427	564 (E)	12.7%	4,427	2,249	564	25.1%	2,249
Other	3,100	25 (F)	0.8%	3,100	1,790	231	12.9%	1,790
Total Operating Expenses	415,418	92,467	22.3%	415,418	413,645	120,946	29.2%	413,644
OPERATING INCOME (LOSS)	(412,506)	(92,377)	22.4%	(413,018)	(410,733)	(119,929)	29.2%	(411,407)
OPERATING TRANSFERS IN	437,115	109,716	25.1%	437,115	421,400	106,193	25.2%	421,400
OPERATING TRANSFERS OUT	(3,623)	(1,652) (G)	45.6%	(3,623)	(4,811)	(1,949)	40.5%	(4,811)
NET INCOME (LOSS)	\$ 20,986	\$ 15,687	74.7%	\$ 20,474	\$ 5,856	\$ (15,685)	-302.7%	\$ 5,182

(A) Annual Budget includes prior year encumbrances budget of \$770.

(B) Purchase of materials & supplies are on as needed basis.

(C) Professional services contracts are utilized as needed.

(D) Capital acquisitions are on an as needed basis.

(E) There were no liability claims for liabilities under \$50,000 as of September 30, 2011.

(F) None of \$2,300 for local meetings and expenses has been spent as of September 30, 2011.

(G) Transfers to PC replacement fund are recorded on a monthly basis. Transfers to all the other replacement funds are fully recorded at the beginning of the fiscal year.

CABLE TV - PUBLIC ACCESS***STATEMENT OF CASH FLOWS
FOR THREE MONTHS ENDED SEPTEMBER 30, 2011******Cash flows from operating activities***

Operating income (loss)	\$	(92,377)	
Adjustments to reconcile operating income (loss)			
to net cash used by operating activities:			
Increase (Decrease) in accounts payable		<u>(4,139)</u>	
<i>Net cash used by operating activities</i>	\$		(96,516)

Cash flows from non-capital financing activities

Transfers in		109,716	
Transfers out		<u>(1,652)</u>	
<i>Net cash provided by non-capital financing activities</i>			<u>108,064</u>
<i>Net change in cash</i>			11,548

Cash and cash equivalents, July 1, 2011		<u>(3,471)</u>
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Cash and cash equivalents, September 30, 2011	\$	<u><u>8,077</u></u>
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PUBLIC EDUCATION GOVERNMENT ACCESS (PEG) FUND**STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL
FOR THREE MONTHS ENDED SEPTEMBER 30, 2011 - 25.1% EXPIRED**

	Annual Budget	Year-To-Date Actual Without Enc.	Budget % Without Enc.	Projected Actual at 6/30/2012	FY 2011 Annual Budget	FY 2011 Year-To-Date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
OPERATING REVENUES								
Public Education Government Fees	\$ 320,000	\$ -	(A) 0.0%	\$ 320,000	\$ 277,452	\$ -	0.0%	\$ 338,557
Total Operating Revenues	320,000	-	0.0%	320,000	277,452	-	0.0%	338,557
Total Operating Expenses	-	-	N/A	-	-	-	N/A	-
OPERATING INCOME (LOSS)	320,000	-	0.0%	320,000	277,452	-	N/A	338,557
Income (Loss) before transfers	320,000	-	0.0%	320,000	277,452	-	N/A	338,557
OPERATING TRANSFERS OUT	-	-	N/A	-	-	-	N/A	-
NET INCOME (LOSS)	\$ 320,000	\$ -	0.0%	\$ 320,000	\$ 277,452	\$ -	0.0%	\$ 338,557

(A) The first quarter revenues for approximately \$80,000 are expected to be received in October and November 2011. If received in the first quarter, the percentage would have been 25%.

PUBLIC EDUCATION GOVERNMENT ACCESS (PEG) FUND***STATEMENT OF CASH FLOWS
FOR THREE MONTHS ENDED SEPTEMBER 30, 2011******Cash flows from operating activities***

Operating income (loss)	\$ -
Adjustments to reconcile operating income (loss) to net cash provided by operating activities	
(Increase) Decrease in accounts receivable	<u>85,492</u>
<i>Net cash provided by operating activities</i>	<u>\$ 85,492</u>
<i>Net change in cash</i>	85,492
Cash and cash equivalents, July 1, 2011	<u>686,932</u>
Cash and cash equivalents, September 30, 2011	<u><u>\$ 772,424</u></u>

ANIMAL CONTROL FUND**BALANCE SHEET**
September 30, 2011**September 30, 2011****ASSETS****Current Assets**

Pooled Cash and Investments

\$ 36,003

Total Current Assets

36,003

Total Assets

\$ 36,003

LIABILITIES AND FUND EQUITY (Deficit)**Current Liabilities**

Accounts Payable

\$ -

Total Liabilities

-

Fund Equity

Retained Earnings - Reserved

-

Retained Earnings

36,003

Total Fund Equity

36,003

Total Liabilities and Fund Equity

\$ 36,003

Schedule W-1

ANIMAL CONTROL FUND

STATEMENT OF REVENUES AND EXPENSES-BUDGET TO ACTUAL FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011 - 25.1% EXPIRED

	Annual Budget	Year-To-Date Actual Without Enc.	Budget % Without Enc.	Projected Actual at 06/30/12	FY 2011 Annual Budget	FY 2011 Year-To-Date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
OPERATING REVENUES								
Animal licenses/permits	\$ 222,000	\$ 19,095 (A)	8.6%	\$ 185,000	\$ 222,000	\$ 23,975	10.6%	\$ 227,053
Other Revenues	-	2,496 (B)	N/A	10,000	-	1,974	19.7%	10,039
Total Operating Revenues	222,000	21,591	9.7%	195,000	222,000	25,949	10.9%	237,092
OPERATING EXPENSES:								
Salaries and employee benefits	343,600	60,208 (C)	17.5%	300,000	341,400	86,252	28.1%	307,475
Services and supplies	9,000	179 (D)	2.0%	6,000	6,000	3,991	66.5%	6,000
Other professional services	95,000	5,496 (E)	5.8%	75,000	95,000	5,753	7.9%	72,461
Training, travel and membership dues	3,000	1,623 (F)	54.1%	3,000	6,000	300	5.0%	6,000
Others-interdepartmental charges	15,367	3,843	25.0%	15,367	13,466	3,369	25.0%	13,466
Total Operating Expenses	465,967	71,349	15.3%	399,367	461,866	99,665	24.6%	405,402
OPERATING INCOME (LOSS)	(243,967)	(49,758)	20.4%	(204,367)	(239,866)	(73,716)	43.8%	(168,310)
OPERATING TRANSFERS IN FROM FUND BALANCE	243,967	49,758	20.4%	204,367	233,648	58,879	34.8%	169,359
	-	-	N/A	-	6,218	6,218	N/A	-
NET INCOME (LOSS)	\$ -	\$ -	N/A	\$ -	\$ -	(8,619)	-821.6%	\$ 1,049

(A) Animal License revenue is received in the last few months of the fiscal year after renewal notices are sent in April to pet owners.

(B) This amount represents impound fees collected from pet owners.

(C) Animal Control Supervisor position has been vacant since May 2011.

(D) Materials and supplies are purchased as needed throughout the year.

(E) On October 20, 2009 Council approved a 5 year agreement with the County of Los Angeles for \$450,000. Expenditure is for July services provided. The August services invoice for \$4,547 was paid in October.

(F) Expenditure is for animal law enforcement training attended in August.

ANIMAL CONTROL FUND**STATEMENT OF CASH FLOWS
FOR THREE MONTHS ENDED, SEPTEMBER 30, 2011****Cash flows from operating activities**

Operating loss	\$	(49,758)	
Adjustments to reconcile operating loss to net cash used by operating activities			
Decrease in accounts receivable		68,386	
(Decrease) in accounts payable		(32,383)	
Net cash used by operating activities		<u> </u>	\$ (13,755)

Cash flows from noncapital financing activities

Operating transfers in		<u>49,758</u>	
Net cash provided by noncapital financing activities			<u>49,758</u>
Net change in cash			36,003

Cash, restricted cash and cash equivalents, July 1, 2011		<u>-</u>
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Cash, restricted cash and cash equivalents, September 30, 2011	\$	<u><u>36,003</u></u>
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AIR QUALITY MANAGEMENT DISTRICT FUND**BALANCE SHEET**
September 30, 2011

	<u>September 30, 2011</u>
ASSETS	
Pooled Cash and Investments	\$ 147,694
Total Assets	\$ 147,694
LIABILITIES AND FUND EQUITY	
Current Liabilities	
Accounts Payable	\$ 215
Total Liabilities	215
Fund Equity	
Retained Earnings - Reserved	17,062 (A)
Retained Earnings - Unreserved	130,417
Total Fund Equity	147,479
Total Liabilities and Fund Equity	\$ 147,694

(A) Represents amount used to balance FY11-12 budget

Schedule X-1

AIR QUALITY MANAGEMENT DISTRICT FUND
STATEMENT OF REVENUES & EXPENSES-BUDGET TO ACTUAL
FOR THREE MONTHS ENDED SEPTEMBER 30, 2011 - 25.1% EXPIRED

	<i>Budget</i>	<i>Actual</i>	<i>% of Budget</i>	<i>Projected Actual at 06/30/12</i>	<i>FY 2011 Annual Budget</i>	<i>FY 2011 Year-to-date Actual Without Enc.</i>	<i>FY 2011 Actual to Actual % Without Enc.</i>	<i>FY2011 Prior Year Total</i>
Revenues:								
Use of money and property	\$ 2,000	\$ 574	28.7%	\$ 2,000	\$ 4,000	\$ 605	28.4%	\$ 2,132
Intergovernmental	170,000	- (A)	0.0%	167,000	170,000	-	0.0%	164,780
Total revenues	172,000	574	0.3%	169,000	174,000	605	0.4%	166,912
Expenditures:								
Current:								
Salaries & benefits	42,680	8,820 (B)	20.7%	42,680	50,200	11,388	26.6%	42,807
Materials & supplies	78,662	5,765 (C)	7.3%	60,000	78,662	12,390	23.8%	51,987
Professional technical	67,720	12,600 (D)	18.6%	67,720	67,720	12,600	18.6%	67,720
Total expenditures	189,062	27,185	14.4%	170,400	196,582	36,378	22.4%	162,514
Excess (deficiency) of revenues over expenditures	(17,062)	(26,611)	156.0%	(1,400)	(22,582)	(35,773)	-813.4%	4,398
 From Fund Balance	 17,062	 17,062	 100.0%	 1,400	 22,582	 22,582	 N/A	 -
Excess (deficiency) of revenues over expenditures	\$ -	\$ (9,549)	N/A	\$ -	\$ -	\$ (13,191)	-299.9%	\$ 4,398

(A) The first quarter revenue for approximately \$44,000 will be received in December 2011. If received in the first quarter, the percentage would have been 25.9%.

(B) Regular salaries are low because employee took 106 hours leave.

(C) Redemption of incentive program points has been low as of September 30, 2011.

(D) The professional fee for September in the amount of \$2,520 was paid in October 2011. If paid in September, the percentage would have been 22.3%.

VAN POOL/RIDESHARE FUND
BALANCE SHEET
September 30, 2011

ASSETS

Pooled Cash and Investments	\$	5,038
Total Assets	\$	5,038

LIABILITIES AND FUND EQUITY**Current Liabilities**

Accounts Payable	\$	385
Total Current Liabilities		385

Fund Equity

Retained Earnings - Unreserved		4,653
Total Fund Equity		4,653

Total Liabilities and Fund Equity	\$	5,038
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Schedule Y-1

VANPOOL/RIDESHARE FUND
STATEMENT OF REVENUES AND EXPENSES - BUDGET TO ACTUAL
FOR THREE MONTHS ENDED SEPTEMBER 30, 2011 - 25.1% EXPIRED

	Annual Budget	Year-to-Date Actual Without Enc.	Budget % Without Enc.	Projected Actual at 06/30/12	FY 2011 Annual Budget	FY 2011 Year-to-date Actual Without Enc.	FY 2011 Actual to Actual % Without Enc.	FY 2011 Prior Year Total
OPERATING REVENUES								
Passenger Cash Fares	\$ 50,000	\$ 8,970 (A)	17.9%	\$ 50,000	\$ 65,000	\$ 12,974	22.7%	\$ 57,167
Other Grants	44,000	10,122	23.0%	42,000	45,200	11,099	27.0%	41,139
Total Operating Revenues	94,000	19,092	20.3%	92,000	110,200	24,073	24.5%	98,306
OPERATING EXPENSES								
Salaries and employee benefits	72,570	20,160	27.8%	72,570	70,741	-	0.0%	49,562
Services and supplies	183,760	34,827 (B)	19.0%	176,410	183,235	32,338	22.2%	145,429
Other professional services	5,600	1,435	25.6%	5,600	6,125	1,120	18.4%	6,090
Total Operating Expenses	261,930	56,422	21.5%	254,580	260,101	33,458	16.6%	201,081
OPERATING INCOME (LOSS)	(167,930)	(37,330)	77.8%	(162,580)	(149,901)	(9,385)	9.1%	(102,775)
Operating Transfer In	167,930	41,982	25.0%	167,930	154,900	39,326	38.3%	102,775
Return to Prop C Fund	-	(4,652)	N/A	(5,350)	(4,999)	(29,941)	N/A	-
NET INCOME (LOSS)	\$ -	\$ -	N/A	-	\$ -	\$ -	N/A	\$ -

(A) September passenger fares for \$4,379 were received in October 2011. If received in September, the percentage would have been 26.7%.

(B) Redemption of points for the Rideshare incentive program has been low as of September 30, 2011.

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Program Modifications

City Council Finance and Governmental
Operations Committee
City Hall
Torrance, California

Members of the Committee:

SUBJECT: City Manager – Human Resources Department Reorganization

RECOMMENDATION

Recommendation of the City Manager that the Council Finance and Governmental Operations Committee approve the Human Resources Department Reorganization and approve the following staffing changes:

- a) Transition the HR Department to a Division within the City Manager's Office
- b) Move the Risk Management Division of HR to the Finance Department
- c) Expand the scope of the Civil Service Division
- d) Delete 1.0 Human Resources Director
- e) Add 1.0 Personnel Technician

Funding
Not applicable.

BACKGROUND AND ANALYSIS

On June 21, 2011, as part of the 2011-13 City Operating Budget, your Honorable Body approved the reduction of 1.0 Human Resources position valued at \$125,000 pending the reorganization of the Human Resources Department. Upon further review of the Human Resources (HR) Department operations, the City Manager recommends the following key changes:

- Transitioning the HR Department to a Division within the City Manager's Office
 - Modifying the existing organization structure to develop two major HR Divisions; HR Operations and Department Support.
- Moving the Risk Management Division of HR to the Finance Department.
- Expanding the scope of the Civil Service Division to focus on marketing and recruitment of City staff and volunteers.

As part of the HR reorganization plan, the City Manager proposes utilizing existing Capital Improvement funds earmarked for the Human Resources Building Remodel in order to move the Risk Management division to the second floor of the City Hall East Annex and to remodel the existing HR building. The additional space that will become available as a result of moving Risk Management, will provide the opportunity to utilize the existing space to create additional office space for privacy, classrooms for testing, conference rooms, a dedicated lunch area and an expanded lobby. These changes will enhance the existing work environment, while creating a new entry for prospective employers and volunteers. The preliminary site plan is included as part of the attached HR Reorganization Plan.

The budget impacts of the proposed HR Reorganization are as follows:

- | | |
|--|-----------------|
| • Delete 1.0 FTE Human Resources Director position | <\$240,000> |
| • Add 1.0 FTE Personnel Technician position | <u>\$83,300</u> |
| Budget Savings | <\$156,700> |

With the implementation of the proposed HR Reorganization, the City will position itself to become an “Employer of Choice.” The new HR model will include the HR Operations and HR Department Support functions. HR Operations will provide employees with a centralized avenue to seek assistance with transactional duties such as on-boarding, common term in Human Resources when an employee starts employment with the City. Additional functions will include providing assistance with processing benefit changes, obtaining mandatory training and all employee outreach functions. The HR Department Support function will focus on building close working relationships and awareness of individual Department needs. HR Analysts will be assigned to specific departments with the goal of assisting with exam plan development and exam results analysis, employee performance management, classification studies and compensation analysis.

The expansion of Civil Service with emphasis added on marketing and recruitment will provide an avenue for the City to actively engage in the marketplace to promote the City and to draw new talent to ensure the needs of the community are constantly met with a diverse, capable, and professional City workforce. The Civil Service team will work closely with employees leaving or retiring from the City utilizing the exit interviews process to seek feedback regarding their experience. Staff will also engage in workforce analysis to provide Department Heads with valuable information to assist with attrition planning as key positions are vacated as a result of retirements.

A key component of the reorganization is automation and visioning. With the advent of electronic communications and storage, a dedicated Senior HR Analyst will spend half of their time working to transition functions and paperwork on-line. Staff will rely on innovative measures already implemented in the City, at other agencies and the private sector to streamline processes such as processing requisitions, evaluations and benefit registrations.

RECOMMENDATION

The City Manager recommends the approval of the Human Resources Department reorganization inclusive of the following key actions; creation of a Human Resources

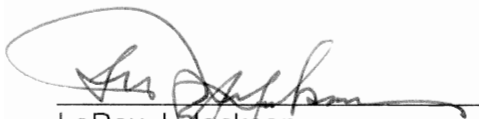
Division reporting to the City Manager, the move of the Risk Management Division to the Finance Department, the remodel of the HR Building and the second floor of the East Annex.

Respectfully submitted,

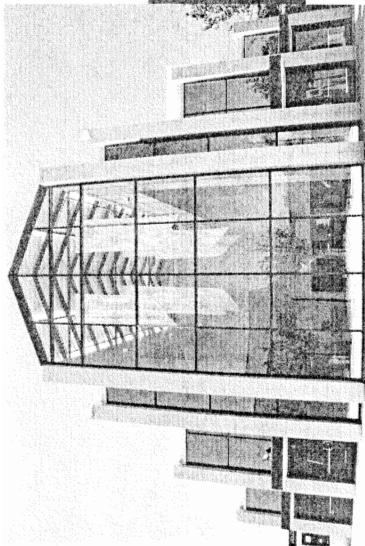
LeROY J. JACKSON
CITY MANAGER

By 
Mary Giordano, Assistant City Manager

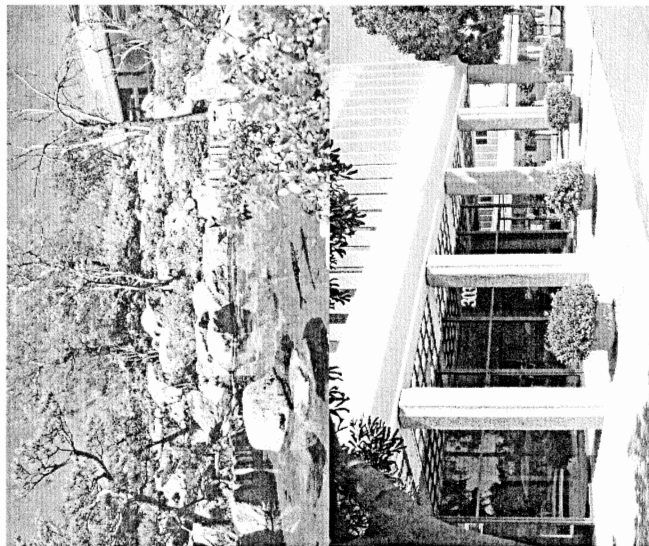
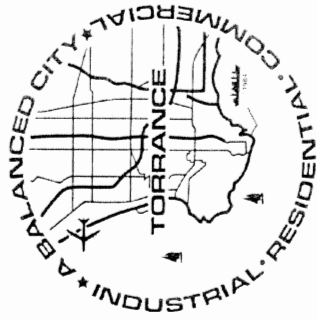
CONCUR:


LeRoy J. Jackson
City Manager

Attachments: HR Reorganization Plan



Human Resources



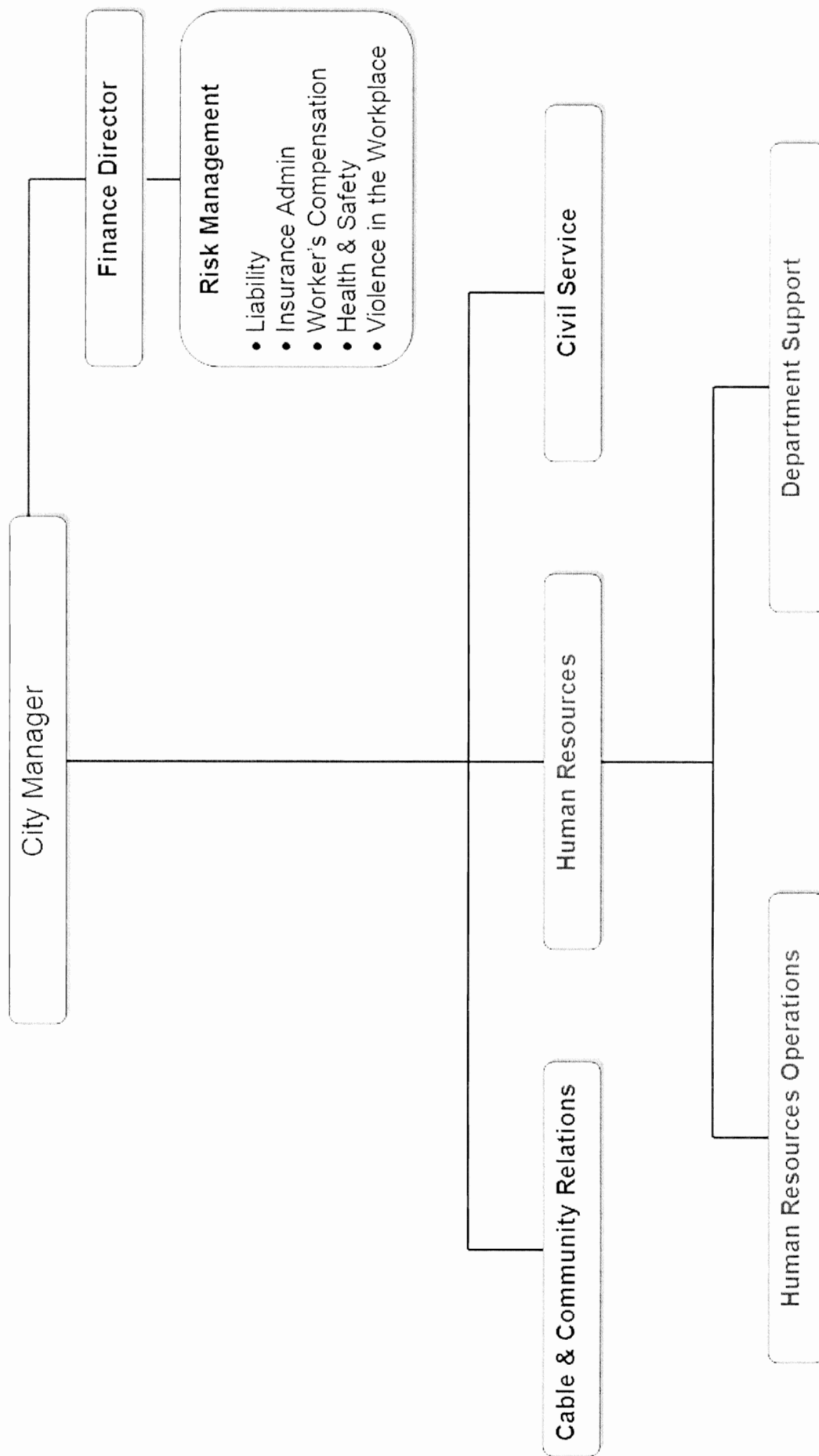
REORGANIZATION PLAN



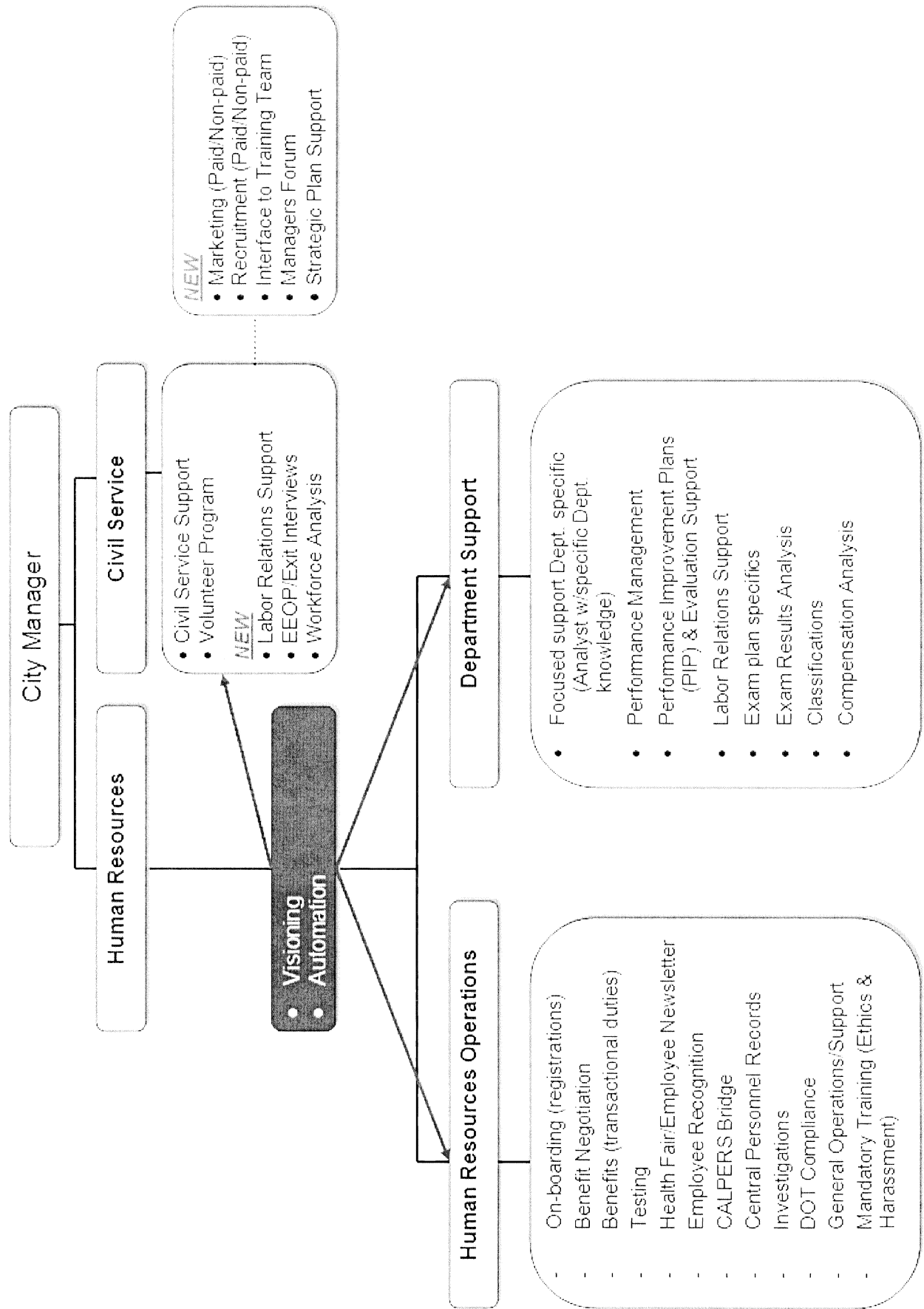
Background

- **2011-12 Budget Action**
 - City Council Authorized Reorganization of the HR Department
 - Transition from Department to Division under City Manager
 - Move Risk Management under Finance Department
 - Expand scope of Civil Service
 - Marketing
 - Recruitment
 - HR Major Functions
 - HR Operations
 - Department Support
 - Remodel Project Chronology
 - Phase I: Move Risk Management to 2nd Floor of East Annex
 - Phase II: HR Building Remodel

HR Division

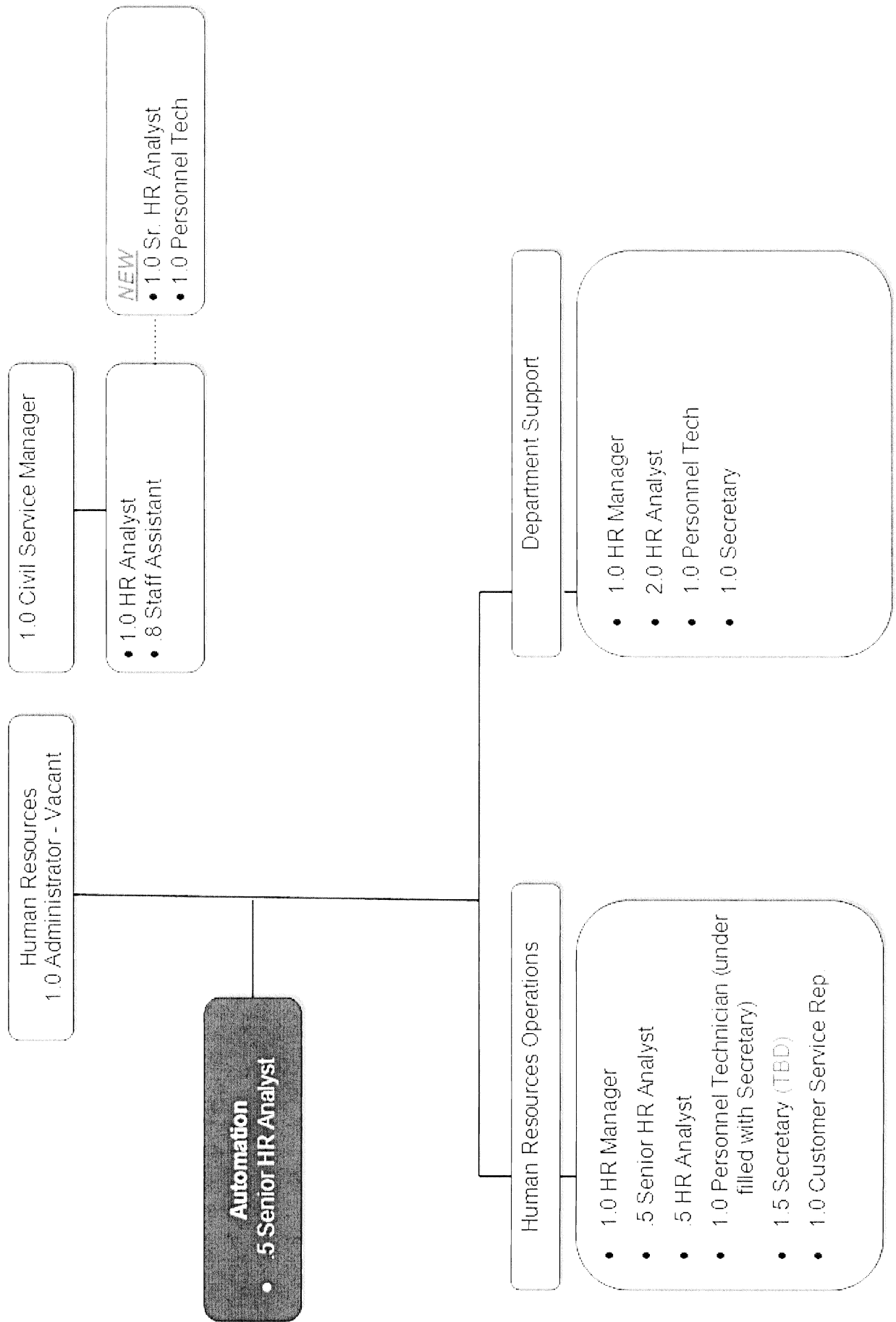


HR & Civil Service

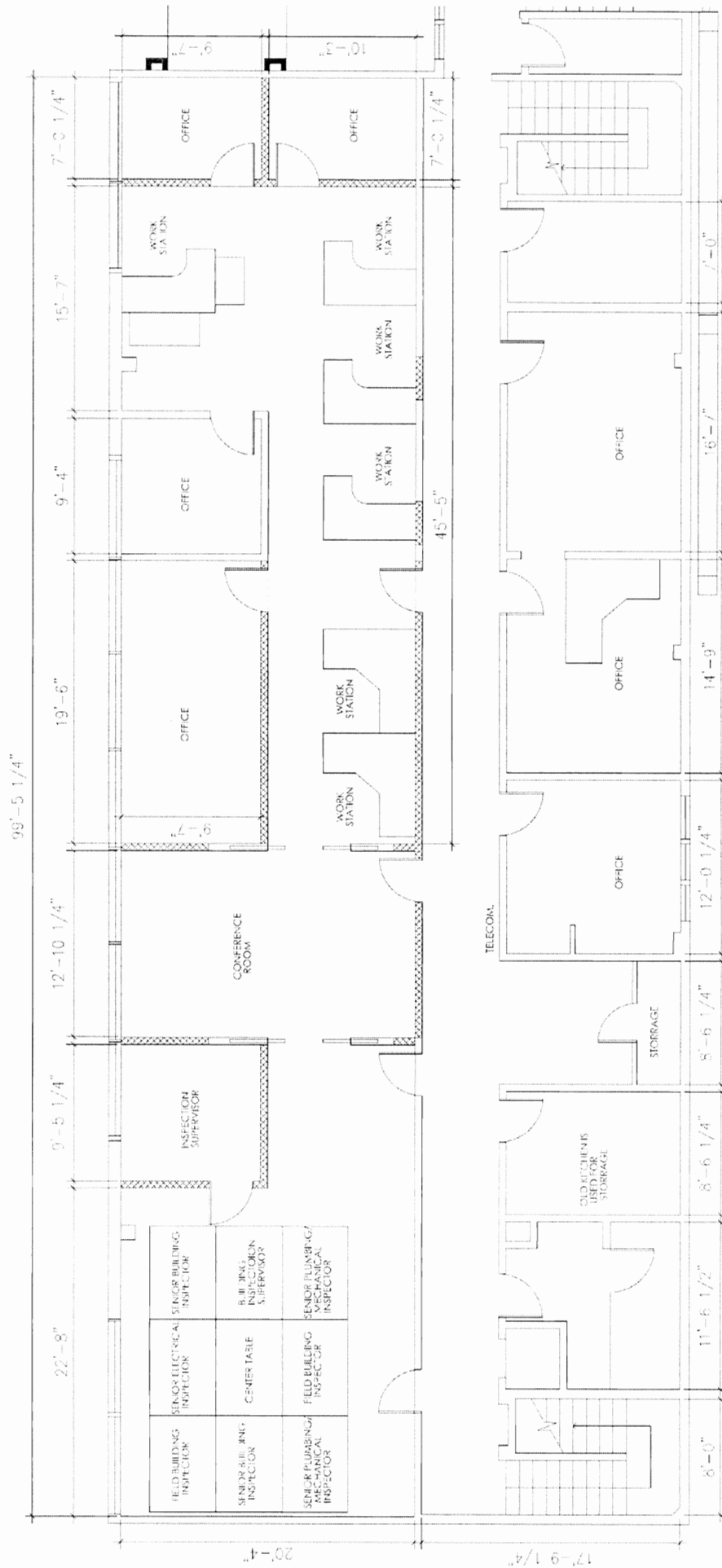


STAFFING

** Includes adding 1.0 Personnel Technician*



Space Plan – Risk Management



Remodel Goals

- **Remodel Goals:**
 - Expand lobby with new storefront doors
 - Create office like atmosphere throughout existing building
 - Enclose the patio with storefront windows
 - Add carpet and lighting to existing hallways
 - Create additional conference rooms
 - Create additional office space for privacy
 - Dedicated lunch room
 - Enhance current Training Room
 - Add new concrete ramp and landing

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December 6, 2011

COMMITTEE MEETING
December 13, 2011

Honorable Chair and Members
of the Finance & Governmental Operations Committee
City Hall
Torrance, California

The Treasurer's Office and the Investment Advisory Committee have set out to develop and implement investment procedures that insure the City's investment objectives of a high degree of asset safety, and adequate liquidity to meet operating and capital expenditure needs and a reasonable return of the City's investment assets given the City's foremost goals of safety and liquidity.

Investment Summary

As of September 30, 2011 total Investment Portfolio or Pooled Funds were \$150.3 million.

As of September 30, 2011 the total Restricted Funds were \$149.5 million made up of the following categories:

1) Debt Issue Proceed	\$ 9.9 million
2) Deferred Compensation Plan	
a) 457	\$ 124.2 million
b) 401(a)	\$ 6.7 million
3) Retirement Health Savings Plan	\$ 3.0 million
4) Public Agency Retirement System Plan (PARS)	\$ 5.7 million

The pooled funds consist of surplus funds invested and managed directly by the City Treasurer. To date the fund has generated year-to-date interest earnings of \$665 thousand and the effective rate of return equaled 1.70%.

Restricted funds are made up of the Debt Issue proceeds, Deferred Compensation funds, Retirement Health Savings funds and Public Agency Retirement System funds which are invested accordingly:

- 1) Debt issue proceeds are invested through a trustee appointed under the Debt Trust Indenture. The funds are invested at the direction of the City Treasurer.
- 2) Deferred Compensation fund is managed by a third party administrator - Great West Life. Investment options made available to the participants are selected and approved by the Deferred Compensation Committee. The fund is a self-

directed program. Participants have the ability to direct their contributions among several different investment options.

- 3) The Retirement Health Savings Plan is managed by a third party administrator – ICMA Retirement. Investment Options are made available to the participants and are selected by ICMA Retirement. Participants can direct their contributions among several different investment options.
- 4) The Public Agency Retirement System Plan is a 401(a) tax-qualified multiple agency trust. Union Bank is the Trustee for the trust and invests the plan assets in accordance with the investment strategy selected by the City of Torrance.

NOTE: The Deferred Compensation Plans, Retirement Health Savings Plan and the Public Agency Retirement Service Plan are held in trust for the benefit of the participant or their beneficiaries and are not assets of the City of Torrance.

Investment Forecast

The Federal Reserve Board will continue to employ a wide range of tools to promote economic recovery and to preserve price stability. The board will maintain the target range rate of 0 to .25 percent for federal funds and continues to anticipate that economic conditions are likely to warrant exceptionally low levels of the federal funds rate for an extended period of time ranging into 2013 as stated by Chairman Bernanke. The Federal Reserve launched “Operation Twist” in October 2011 which is scheduled to end June 2012. This much expected stimulus move is the Federal Reserve Board’s attempt in reviving a policy from the 1960s that while it will not force money into the economy it is designed to lower yields on long-term bonds, while keeping short-term rates modestly changed.

GASB 31 Impacts on Investments

GASB 31 took effect June 1997. The intent of GASB 31 is to bring to light potential liquidity problems by requiring municipalities to mark to market their securities with a maturity greater than one year. This paper gain or loss must be booked against investment earnings at year-end.

One way to avoid the gain/loss issue is to limit all purchases to maturities of less than one year. This condition would then preclude a market valuation and allow investments to be carried on a book value basis. This situation could reduce earnings potential in the loss of yield that a security with a longer term would usually offer.

Within our investment policy we adhere to a buy and hold philosophy. Therefore, our current strategy will not change in light of GASB 31. We will continue to invest the portfolio out along the yield curve. At the same time we keep enough liquidity to meet current and future obligations.

At the present time the monthly investment report tracks all securities by listing the face value, book value and market value. The portfolio paper gain or loss is the difference between book and market value. The unrealized gain/loss is noted monthly even though it is not physically applied to earnings until year-end.

Investment Strategy

For the past three months, the activity in the economy has been very volatile. The majority of redemptions have been "called" securities and due to the declining market environment all new purchases are earning a lower rate of return. The average yield to maturity on purchases made over the last three months was 1.60%.

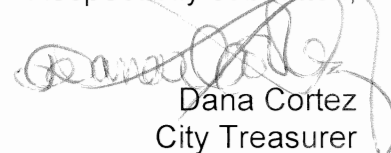
Strategically, we will continue to place money out in the market. Although the market would encourage a short portfolio, it is not our intent to change our objectives of matching purchases with cash flow needs. We will continue to place investments throughout on the yield curve to take advantage of a higher rate of return with funds that are not needed on the short term.

To be consistent with the City's objectives of high degree of asset safety, all investments will be invested in high quality rated instruments or those guaranteed by the "full faith and credit" of the government.

Recommendation

Accept and file the 1st Quarter Report.

Respectfully submitted,


Dana Cortez
City Treasurer

CONCUR:


LeRoy J. Jackson
Investment Committee Member

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